

City of Santa Clara

Meeting Agenda

Council and Authorities Concurrent Call and Notice of Special Meeting Santa Clara Stadium Authority



Tuesday, June 27, 2023

4:30 PM

Hybrid Meeting

City Hall Council Chambers/Virtual
1500 Warburton Avenue
Santa Clara, CA 95050

The City of Santa Clara is conducting City Council meetings in a hybrid manner (in-person and continues to have methods for the public to participate remotely).

• Via Zoom:

o <https://santaclaraca.zoom.us/j/99706759306>

Meeting ID: 997-0675-9306

o Phone: 1(669) 900-6833

How to Submit Written Public Comment Before City Council Meeting:

1. Use the eComment tab located on the City Council Agenda page <https://santaclaraca.legistar.com/Calendar.aspx>. eComments are directly sent to the iLegislate application used by City Council and staff, and become part of the public record. eComment closes 15 minutes before the start of a meeting.
2. By email to clerk@santaclaraca.gov by 12 p.m. the day of the meeting. Those emails will be forwarded to the Council and will be uploaded to the City Council Agenda as supplemental meeting material. Emails received after the 12 p.m. cutoff time up through the end of the meeting will form part of the meeting record. Please identify the Agenda Item Number in the subject line of your email.

NOTE: Please note eComments and Emails received as public comment **will not** be read aloud during the meeting.

Agendas, Staff Reports and some associated documents for City Council items may be viewed on the Internet at <https://santaclaraca.legistar.com/Calendar.aspx>

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, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the City Clerk at Santa Clara City Hall, 1500 Warburton Avenue, Santa Clara, CA 95050 at the same time that the public records are distributed or made available to the legislative body. Any draft contracts, ordinances and resolutions posted on the Internet site or distributed in advance of the Council meeting may not be the final documents approved by the City Council. For the final document, you may contact the Office of the City Clerk at (408) 615-2220 or Clerk@santaclaraca.gov.

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of California Government Code §54956 ("The Brown Act") and Section 708 of the Santa Clara City Charter, the Chair calls for a Special Meeting of the Governing Board of the Stadium Authority, to commence and convene on June 27, 2023, at 4:30 pm for a Special Meeting to be held virtually and in the City Hall Council Chambers located in the East Wing of City Hall at 1500 Warburton Avenue, Santa Clara, California, to consider the following matter(s) and to potentially take action with respect to them.

Closed Session - 4:30 PM | Regular Meeting - 7:00 PM

4:30 PM CLOSED SESSION

Call to Order in the Council Chambers

Roll Call

1. **23-552** [Conference with Legal Counsel-Anticipated Litigation \(CC\)](#)
[Pursuant to Gov. Code § 54956.9\(d\)\(2\) - Exposure to litigation](#)
[Number of potential cases: 1](#)
[Facts and Circumstances: Claim of Moonlite Associates, LLC](#)
[\(attached\)](#)

Public Comment

The public may provide comments regarding the Closed Session item(s) just prior to the Council beginning the Closed Session. Closed Sessions are not open to the public.

Convene to Closed Session (Council Conference Room)

7:00 PM COUNCIL/SPECIAL STADIUM AUTHORITY MEETING

**Open Session to begin at 7:00 PM or shortly thereafter.*

Call to Order

Call to Order in the Council Chambers (Open to the Public)

Pledge of Allegiance and Statement of Values

REPORTS OF ACTION TAKEN IN CLOSED SESSION MATTERS

CONTINUANCES/EXCEPTIONS/RECONSIDERATIONS

SPECIAL ORDER OF BUSINESS

- 2.A **23-820** [Proclaim Portuguese National Heritage Month for June 2023](#)

2.B 23-485 [Recognition of the Santa Clara Women's League donation of \\$8,000 to support the Senior Center Health & Wellness Case Management Program and the "Be Strong, Live Long 2023" Health & Wellness Fair](#)

2.C 23-806 [Recognition of Silicon Valley Central Chamber of Commerce Board of Directors](#)

CONSENT CALENDAR

[Items listed on the CONSENT CALENDAR are considered routine and will be adopted by one motion. There will be no separate discussion of the items on the CONSENT CALENDAR unless discussion is requested by a member of the Council, staff, or public. If so requested, that item will be removed from the CONSENT CALENDAR and considered under CONSENT ITEMS PULLED FOR DISCUSSION.]

3.A 23-801 [Action on the Minutes of April 25, 2023 Council Special Meeting; May 5, 2023 Adjourned and Reconvened Special Council Meeting; May 9, 2023 Council and Authorities Concurrent; and May 23, 2023 Joint Council and Authorities Concurrent and Santa Clara Stadium Authority Meeting](#)

Recommendation: Approve the Minutes of April 25, 2023 Council Special Meeting; May 5, 2023 Adjourned and Reconvened Special Council Meeting; May 9, 2023 Council and Authorities Concurrent; and May 23, 2023 Joint Council and Authorities Concurrent and Santa Clara Stadium Authority Meeting.

3.B 23-15 [Board, Commissions and Committee Minutes](#)

Recommendation: Note and file the Minutes of:
Board of Library Trustees Minutes - April 3, 2023
Minutes - Draft
Cultural Commission - May 1, 2023

3.C 23-727 [Action on Monthly Financial Status and Investment Reports for April 2023 and Approve the Related Budget Amendments](#)

Recommendation: Note and file the Monthly Financial Status and Investment Reports for April 2023 as presented and Approve the Related Budget Amendments (five affirmative Council votes required to appropriate additional revenue or for the use of unused balances).

3.D 23-424 [Action on Award of Contract for the City of Santa Clara Utilities Corporation Yard Renovation Project to Ron Paris Construction](#)

- Recommendation:**
1. Determine the proposed action is exempt pursuant to Class 1 (Existing Facilities) of CEQA Guidelines Section 15301;
 2. Award the Public Works Contract for the City of Santa Clara Utilities Corporation Yard Renovation Project to the lowest responsive and responsible bidder, Ron Paris Construction, in the amount of \$704,248 and authorize the City Manager to execute any and all documents associated with, and necessary for the award, completion, and acceptance of this Project, in a final form approved by the City Attorney; and
 3. Authorize the City Manager to execute change orders up to approximately 15 percent of the original contract price, or \$105,637, for a total not-to-exceed amount of \$809,885.

3.E 23-525 [Actions on Award of Contract for the 2023 Americans with Disabilities Act \(ADA\) Curb Ramps Project to Villalobos & Associates, Inc., and Related Budget Amendments](#)

- Recommendation:**
1. Determine the proposed project qualifies for a Categorical Exemption under CEQA Guidelines Section 15301;
 2. Award the Public Works Contract for the 2023 ADA Curb Ramps Project to the lowest responsive and responsible bidder, Villalobos & Associates, Inc., in the amount of \$470,733, funded in the Streets and Highways Capital Fund, and authorize the City Manager to execute any and all documents, in a final form approved by the City Attorney, associated with, and necessary for the award, completion, and acceptance of this Project;
 3. Authorize the City Manager to execute change orders up to 10 percent of the original contract price, or \$47,073, for a total not to exceed amount of \$517,806, funded in the Streets and Highways Capital Fund; and
 4. Approve the following FY 2022/23 Budget Amendments:
 - A. In the Water Utility Capital Fund, establish a transfer of \$1,500 to the Streets and Highways Capital Fund and decrease the Unrestricted Ending Fund Balance in the amount of \$1,500 **(five affirmative Council votes required for the use of unused balances)**;
 - B. In the Streets and Highways Capital Fund, recognize a transfer in from the Water Utility Capital Fund in the amount of \$1,500, decrease the Annual Curb Ramp Installation project in the amount of \$207,228, and increase the Citywide Priority Curb Ramp project in the amount of \$208,728 **(five affirmative Council votes required to appropriate additional revenue)**.

3.F 23-588 [Action on Award of Contract for the Westwood Oaks Park Playground Rehabilitation Project to Robert A. Bothman Construction and Related Budget Amendments](#)

- Recommendation:**
1. Determine the project to be exempt from CEQA under Public Resources Code Section 15302 (Class 2 Categorical Exemption); Section 15303 (Class 3 Categorical Exemption); and Section 15304 (Class 4 Categorical Exemption);
 2. Award the Public Works Contract for the Westwood Oaks Park Playground Rehabilitation Project to the lowest responsive and responsible bidder, Robert A. Bothman Construction, in the amount of \$2,767,000 and authorize the City Manager to execute any and all documents associated with, and necessary for the award, completion, and acceptance of this Project, in final forms approved by the City Attorney;
 3. Authorize the City Manager to execute change orders up to approximately 15 percent of the original contract price, or \$415,050, for a total not-to-exceed amount of \$3,182,050 funded by the Parks and Recreation Capital Fund; and
 4. Approve the following FY 2023/24 budget amendment in the Parks and Recreation Capital Fund to increase the Westwood Oaks Park Playground Rehabilitation project appropriation by \$1,421,000 and decrease the Parks and Recreation Capital Fund Mitigation Fee Act fund balance by the same amount **(five affirmative Council votes required for the use of unused balances)**.

3.G 23-677 [Action on Award of Purchase Orders for Citywide As-Needed Interior and Exterior Painting Services](#)

- Recommendation:**
1. Authorize the City Manager to execute Purchase Orders with Armstrong Painting, Inc., Fairway Painting, and Aiden's Quality Painting, Inc. for as-needed interior and exterior painting services for an initial one-year term starting on or around July 1, 2023 and ending on or around June 30, 2024 for a maximum aggregate amount not-to-exceed \$200,000, funded by various City funds; and
 2. Authorize the City Manager to exercise up to four one-year options to extend the term of the Purchase Orders, subject to compensation increases consistent with market rates not-to-exceed \$250,000 per year and the appropriation of funds.

3.H 23-732 [Actions on a Density Bonus Agreement \(DBA\) with Santa Clara Pacific Associates to Allow a Multifamily Housing Development with 198 Affordable Rental Units at 80 Saratoga Avenue and Delegation of Authority to the City Manager to Negotiate and Execute Future DBAs in Accordance with Santa Clara City Code Section 18.78.060.](#)

- Recommendation:**
1. Approve and authorize the City Manager or designee, to execute the Density Bonus Agreement with Santa Clara Pacific Associates for a 200 affordable housing project at 80 Saratoga Avenue on the terms presented, in a final form approved by the City Attorney.
 2. Adopt a Resolution delegating to the City Manager the authority to negotiate, execute, or amend Density Bonus Agreements in accordance with the provisions of Santa Clara City Code Section 18.78.060, subject to final review and approval of such agreements by the Office of the City Attorney. All projects requiring an exception or modification to the City's standard Density Bonus Agreement shall continue to be brought to the City Council for approval.

3.I 23-481 [Action on Amendment No. 1 with PFM Asset Management LLC for Investment Management Services](#)

- Recommendation:**
1. Approve and authorize the City Manager to execute Amendment No. 1 to the Agreement with PFM Asset Management LLC for Investment Management Services to extend the initial term of the Agreement to end on July 31, 2028 and increase compensation by \$1,625,000 for a revised total maximum amount not to exceed \$2,465,000, subject to the appropriation of funds; and
 2. Authorize the City Manager to exercise options, by an amendment of the Agreement subject to review and approval as to form by the City Attorney, to extend the term of the Agreement for two additional years to July 31, 2030 and increase compensation by \$686,000 for a revised total maximum amount not to exceed \$3,151,000, subject to the appropriation of funds.

3.J 23-759 [Action on Amendment No. 4 with Wallace Roberts and Todd, LLC \(WRT\) to Add Two Study Cities to the City Hall Relocation Study and Related Budget Amendment](#)

- Recommendation:**
1. Authorize the City Manager to execute Amendment No. 4 to the Agreement with Wallace Roberts and Todd, LLC (WRT) for the City Hall Relocation Study, in a final form approved by the City Attorney, at a total cost not to exceed \$16,000, funded by the General Fund; and
 2. Approve the following FY 2023/24 budget amendment, subject to approval of the FY 2023/24 and FY 2024/25 operating budget:
 - A. In the General Fund, increase the transfer to the General Government Capital Fund by \$16,000 and reduce the Budget Stabilization Reserve by \$16,000 **(five affirmative Council votes required for the use of unused balances)**; and
 - B. In the General Government Capital Fund, recognize a transfer of \$16,000 from the General Fund Budget Stabilization Reserve and increase the Precise Plan for Downtown project by \$16,000 **(five affirmative Council votes required to appropriate additional revenue)**.

3.K 23-687 [Action on a Resolution Authorizing the Use of City Electric Forces at Various Locations](#)

- Recommendation:** Determine the proposed actions are exempt from CEQA pursuant to Sections 15302 (c) and 15303 of Title 14 of the California Code of Regulations and adopt a Resolution authorizing the use of City Electric Forces for work detailed in this Report to Council located at 2300 Calle de Luna and 2920 Scott Boulevard.

- 3.L 23-830** [Action to Adopt a Resolution to Provide Santa Clara Small Businesses Reporting 49 or Fewer Employees a One-Time Subsidy to Help Offset Costs of Modernized Business License Taxes Using Existing Silicon Valley Chamber of Commerce Settlement Funds Up to \\$330,000](#)

Recommendation: Adopt a Resolution to provide a one-time subsidy to small businesses located in Santa Clara reporting 49 or fewer employees, applied upon business license tax renewal for Fiscal Year 2023/24, using existing Silicon Valley Chamber of Commerce settlement funds on a first come first serve basis in an amount not to exceed \$330,000.

- 3.M 23-756** [Approve a Silicon Valley Power One-Time Climate Credit for Small Commercial \(C-1\) Customers](#)

Recommendation: Approve a Silicon Valley Power one-time \$70 Climate Credit for all C-1 customers.

- 3.N 23-734** [Overview of the Citywide Risk Assessment and Proposed 2023 and 2024 Internal Audit Work Plans](#)

Recommendation: Note and file the citywide risk assessment report from Baker Tilly, LLC and note the proposed 2023 and 2024 audit work plans as approved by the Audit Committee.

SANTA CLARA STADIUM AUTHORITY CONSENT CALENDAR

4. **23-815** [Action to Authorize the City Manager to Negotiate and Execute a One-Year Municipal Law Enforcement Services Agreement Between the City of Santa Clara and the City of Milpitas for Supplemental Law Enforcement Services at Levi's Stadium Events; Action on a Resolution Delegating Authority to the City Manager to Negotiate and Execute Future Indemnity Agreements and Municipal Law Enforcement Services Agreements Between the City of Santa Clara and Other Public Safety Agencies for "Double-Badgers" or Supplemental Law Enforcement Services](#)

Recommendation:

1. Authorize the City Manager to Negotiate and Execute a One-Year Municipal Law Enforcement Services Agreement Between Santa Clara and the City of Milpitas Police Department for Supplemental Law Enforcement Services at Levi's Stadium Events in a form approved by the City Attorney
2. Adopt a Resolution Delegating Authority to the City Manager to Negotiate and Execute Future Indemnity Agreements and Municipal Law Enforcement Services Agreements, in a form approved by the City Attorney, Between the City and other Public Safety Agencies for "Double-Badgers" or Supplemental Law Enforcement Services

PUBLIC PRESENTATIONS

[This item is reserved for persons to address the Council or authorities on any matter not on the agenda that is within the subject matter jurisdiction of the City or Authorities. The law does not permit action on, or extended discussion of, any item not on the agenda except under special circumstances. The governing body, or staff, may briefly respond to statements made or questions posed, and appropriate body may request staff to report back at a subsequent meeting. Although not required, please submit to the City Clerk your name and subject matter on the speaker card available in the Council Chambers.]

CONSENT ITEMS PULLED FOR DISCUSSION

PUBLIC HEARING/GENERAL BUSINESS

5. FISCAL YEAR 2023/24 AND FY 2024/25 BUDGET ACTION ITEMS

5.A 23-144 [Public Hearing: Action on the Adoption of the Proposed FY 2023/24 & FY 2024/25 Biennial Operating Budget and FY 2023/24 Capital Improvement Program Changes](#)

- Recommendation:**
1. Approve the Proposed FY 2023/24 and FY 2024/25 Biennial Operating Budget and FY 2023/24 Capital Budget changes, including the recommended revisions detailed in Attachment 2;
 2. Approve the Appropriation Schedule for operating funds totaling \$1,617,369,144 in FY 2023/24 and \$1,374,568,875 in FY 2024/25 and the FY 2023/24 Appropriation Schedule for capital funds totaling \$657,486,151 as detailed in Attachment 3;
 3. Approve the Housing Authority FY 2023/24 expenditure budget of \$457,193 and FY 2024/25 expenditure budget of \$414,581 as presented in the Operating Budget;
 4. Approve the Sports and Open Space Authority FY 2023/24 expenditure budget of \$10,000 and FY 2024/25 expenditure budget of \$10,200 as presented in the Operating Budget; and
 5. Direct staff to bring forward a separate resolution to increase the Transient Occupancy Tax rate by one percentage point effective January 1, 2024.

5.B 23-519 [Action Establishing the City's Fiscal Year 2023/24 Appropriations Limit of \\$628,493,798 Pursuant to Article XIIIB of the California State Constitution.](#)

- Recommendation:** Adopt a Resolution Establishing the City's Fiscal Year 2023/24 Appropriations Limit of \$628,493,798 Pursuant to Article XIIIB of the California State Constitution.

6. 23-819 [Public Hearing: Action on Amendment to the City of Santa Clara General Plan-Re-Adoption of the 2023-2031 Housing Element with Revisions](#)

- Recommendation:** Alternative: 1
1. Adopt a Resolution to amend the General Plan by re-adopting the Housing Element for the 2023-2031 Cycle.

7. **23-808** [Note and File the Resolutions of the Salary Setting Commission Establishing as Unchanged the Salary for the positions of Mayor and Council and City Clerk, and increasing the Salary for the Position of Police Chief to \\$345,060/annually; and Action to Adopt a Resolution Approving and Adopting the Updated Unclassified/Elected Salary Plan for the position of Police Chief for the Period of July 1, 2023 through June 30, 2025 \(DEFERRED FROM JUNE 6, 2023\)](#)

Recommendation:

1. Note and file the Resolutions of the Salary Setting Commission establishing the salary for the positions of Mayor and Council, Police Chief, and City Clerk; and
2. Adopt a Resolution to approve the revised Unclassified/Elected Salary Plan for the position of Police Chief, which reflects the salary increase granted by the Salary Setting Commission, to satisfy the requirements of California Code of Regulations Section 570.5, effective July 1, 2023.

WRITTEN PETITION (COUNCIL POLICY 030) SUBMITTED BY THE PUBLIC/COUNCIL

8. **23-775** [Action on a Written Petition \(Council Policy 030\), Submitted by Adam Thompson Requesting to Place an Agenda Item on a Future Council Meeting to Request that Council Reconsider the El Camino Real Specific Plan Committee Membership](#)

Recommendation: Staff makes no recommendation.

REPORTS OF MEMBERS AND SPECIAL COMMITTEES

CITY MANAGER/EXECUTIVE DIRECTOR REPORT

- 23-843** [Tentative Meeting Agenda Calendar \(TMAC\)](#)

ADJOURNMENT

The next regular scheduled meeting is on Tuesday, July 11, 2023 in the City Hall Council Chambers.

MEETING DISCLOSURES

The time limit within which to commence any lawsuit or legal challenge to any quasi-adjudicative decision made by the City is governed by Section 1094.6 of the Code of Civil Procedure, unless a shorter limitation period is specified by any other provision. Under Section 1094.6, any lawsuit or legal challenge to any quasi-adjudicative decision made by the City must be filed no later than the 90th day following the date on which such decision becomes final. Any lawsuit or legal challenge, which is not filed within that 90-day period, will be barred. If a person wishes to challenge the nature of the above section in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City of Santa Clara, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

STREAMING SERVICES: As always, the public may view the meetings on SantaClaraCA.gov, Santa Clara City Television (Comcast cable channel 15 or AT&T U-verse channel 99), or the livestream on the City's YouTube channel or Facebook page.

Note: The public cannot participate in the meeting through these livestreaming methods; livestreaming capabilities may be disrupted at times, viewers may always view and participate in meetings in-person and via Zoom as noted on the agenda.

AB23 ANNOUNCEMENT: Members of the Santa Clara Stadium Authority, Sports and Open Space Authority and Housing Authority are entitled to receive \$30 for each attended meeting.

Note: The City Council and its associated Authorities meet as separate agencies but in a concurrent manner. Actions taken should be considered actions of only the identified policy body.

LEGEND: City Council (CC); Stadium Authority (SA); Sports and Open Space Authority (SOSA); Housing Authority (HA); Successor Agency to the City of Santa Clara Redevelopment Agency (SARDA); Bayshore North Project Enhancement Authority (BNPEA); Public Facilities Financing Corporation (PFFC)

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

If a member of the public submits a speaker card for any agenda items, their name will appear in the Minutes. If no speaker card is submitted, the Minutes will reflect "Public Speaker."

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the City of Santa Clara will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. The City of Santa Clara will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in the City's programs, services, and activities. The City of Santa Clara will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all of its programs, services, and activities.

Agendas and other written materials distributed during a public meeting that are public record will be made available by the City in an appropriate alternative format. Contact the City Clerk's Office at 1 408-615-2220 with your request for an alternative format copy of the agenda or other written materials.

Individuals who require an auxiliary aid or service for effective communication, or any other disability-related modification of policies or procedures, or other accommodation, in order to participate in a program, service, or activity of the City of Santa Clara, should contact the City's ADA Coordinator at 408-615-3000 as soon as possible but no later than 48 hours before the scheduled event.



City of Santa Clara

1500 Warburton Avenue
Santa Clara, CA 95050
santaclaraca.gov
[@SantaClaraCity](https://twitter.com/SantaClaraCity)

Agenda Report

23-552

Agenda Date: 6/27/2023

SUBJECT

Conference with Legal Counsel-Anticipated Litigation (CC)

Pursuant to Gov. Code § 54956.9(d)(2) - Exposure to litigation

Number of potential cases: 1

Facts and Circumstances: Claim of Moonlite Associates, LLC (attached)

FRANK LAW GROUP, P.C.

David E. Frank

Gregory W. Koonce
Brett E. Rosenthal
Jennifer B. Holdener

Courthouse Plaza
1517 Lincoln Way, Auburn, CA 95603
Telephone (530) 887-8585 / (916) 442-0145
Facsimile (530) 887-8586
www.lawyers.com/davidefrank
ljgualco@gualcolaw.com

Of Counsel:
Lori J. Gualco
Annie R. Embree
Peter D. Lemmon
Darren P. Trone

April 12, 2010

RECEIVED
APR 13 2010
CITY OF SANTA CLARA
CITY ATTORNEY'S OFFICE

SENT VIA FEDERAL EXPRESS

City Clerk
City of Santa Clara
1500 Warburton Avenue
Santa Clara, California 95050

RECEIVED
APR 13 2010
City Clerk's Office
City of Santa Clara

Re: Claimant Moonlite Associates LLC

Dear Clerk :

Enclosed please find Claimant Moonlite Associates LLC's claim against the City of Santa Clara. Please send back a file endorsed copy of the Claim Against the City of Santa Clara for our records in the self-addressed stamped envelope provided.

Thank you for your attention to this matter.

Very truly yours,

FRANK LAW GROUP, P.C.


Lori J. Gualco

LJG/alp
Enclosure

cc R Hayton
4/13/10
RLC

CLAIM AGAINST THE CITY OF SANTA CLARA

RECEIVED

(For Damages to Persons or Personal Property)

APR 13 2010City Clerk's Office
City of Santa Clara

City Clerk's Date Stamp

Received By: [Signature]

Via: U.S. Mail _____

Interoffice Mail _____

Over the Counter FEDEx

(Please do not write above this line - for City use only)

A claim must be filed with the City Clerk of the City of Santa Clara within six months* after which the incident or event occurred. Be sure your claim is against the City of Santa Clara not some other public entity. Where space is insufficient, please use additional paper and identify the information by paragraph number. Your completed claim (original) must be mailed or delivered to: City Clerk, City of Santa Clara, 1500 Warburton Avenue, Santa Clara, California 95050.

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF SANTA CLARA:

The undersigned respectfully submits the following claim and information relative to damage to persons and/or personal property:

1	NAME OF CLAIMANT Moonlite Associates LLC		DATE OF BIRTH N/A	
	ADDRESS OF CLAIMANT c/o Michael Schwartz 1111 Bayhill Dr., Ste 450		CITY San Bruno	STATE CA ZIP CODE 94066
	HOME PHONE N/A	WORK PHONE 650-952-2300	DRIVER'S LICENSE STATE AND NUMBER N/A	
2	SEND NOTICES REGARDING THIS CLAIM TO: (List name, mailing address and telephone number if not same as name and address listed above.) Lori J. Gualco, Esq., Frank Law Group, P.C.			
	1517 Lincoln Way, Auburn, CA, 95603 TEL- 530-887-8585; FAX- 530-887-8586			
3	DATE AND TIME OF INCIDENT See Attachment A		SPECIFIC ADDRESS OF INCIDENT (Address) 2600 El Camino Real Santa Clara, CA 95051	
4	BASIS OF CLAIM (Specify the occurrence, event, act, or omission which you claim caused the injury or damage for which you are submitting this claim.) City of Santa Clara sewers leak contaminants.			
5	CITY'S ACTION (Specify action by City or its employees which caused alleged damage or injury.) Failure to maintain sewers.			

*"One year for a claim relating to any cause of action for other than death, injury to person or to personal property, or growing crops." Government Code §911.2

ATTACHMENT A TO CLAIM AGAINST THE CITY OF SANTA CLARA

Claimant Moonlite Associates LLC

3. DATE AND TIME OF INCIDENT:

Unknown, but believed to be continuing incident from approximately 1960's- current.



Agenda Report

23-820

Agenda Date: 6/27/2023

REPORT TO COUNCIL

SUBJECT

Proclaim Portuguese National Heritage Month for June 2023

BACKGROUND

On June 4, 2021, Congressman Jim Costa introduced a resolution to the 117th Congress, supporting the designation of June as "Portuguese National Heritage Month". The H.Res 459 resolution, co-sponsored by Congressman David Valadao, celebrates the historic, cultural, and significant contributions Portuguese Americans have made to the United States. The month of June was selected to coincide with the Day of Portugal which is celebrated on June 10th.

The City of Santa Clara has a rich history of Portuguese culture and roots. Santa Clara Valley had an influx of immigrants from Portugal that began after the first World War and historically constituted 70 percent of the city's population in the 1940s. The Sociedade do Espírito Santo (S.E.S.) Hall located in Santa Clara was established in 1896 and remains a central location for the Portuguese community to gather and celebrate events today, including the annual Festa Do Espírito Santo. The City of Santa Clara also established its Sister City with Coimbra, Portugal on August 4, 1972 and continues strengthening relations with Coimbra through the Santa Clara Sister Cities organization.

DISCUSSION

At the June 27, 2023 City Council meeting, the Council will proclaim Portuguese Heritage Month in for June 2023 in Santa Clara. Boardmember and President Manuel Silveira of the S.E.S Portuguese Hall of Santa Clara will be present to accept the proclamation.

ENVIRONMENTAL REVIEW

This is an information report only and no action is being taken by the City Council and no environmental review under the California Environmental Quality Act ("CEQA") is required.

FISCAL IMPACT

There is no fiscal impact to the City other than staff time.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

Reviewed by: Maria Le, Assistant to the City Manager, Mayor and Council Offices

Approved by: Jōvan D. Grogan, City Manager, City Manager's Office



Agenda Report

23-485

Agenda Date: 6/27/2023

REPORT TO COUNCIL

SUBJECT

Recognition of the Santa Clara Women's League donation of \$8,000 to support the Senior Center Health & Wellness Case Management Program and the "Be Strong, Live Long 2023" Health & Wellness Fair

COUNCIL PILLAR

Deliver and Enhance High-Quality Efficient Services and Infrastructure
Enhance Community Engagement and Transparency

BACKGROUND

In accordance with Council Policy 051, Donations to the City, the City Manager's Office reviewed and approved the receipt of a donation from the Santa Clara Women's League in the amount of \$8,000 to support the Senior Center's Health & Wellness Case Management Program and the "Be Strong, Live Long 2023" Health & Wellness Fair. The donation is consistent with the City's goals and objectives and in the best interest of the City.

Per the Council Policy, for a donation of \$1,000 or more, the donor shall be invited to a Council Meeting to be recognized under Special Order of Business and receive a letter of acceptance and appreciation signed by the Mayor and City Manager.

DISCUSSION

For 38 years, the Santa Clara Women's League has hosted an annual Showtime melodrama in support of the City's Senior Center Health & Wellness Case Management Program, also affectionately called by some the Senior Center's nurses. This year's donation in the amount of \$8,000 will help support services including public health education including the "Be Strong, Live Long 2023" Health & Wellness Fair, navigation of healthcare and social service systems, care management services, social engagement, home visits, education and fitness classes, and public health screenings to older adults in the Santa Clara Community. The donation will benefit the City through increased community engagement, collaboration and support of the City's own senior activities, encouraging others to financially support needed community services.

The Special Order of Business will recognize the of the Santa Clara Women's League for their donation and continued collaboration and support of City programs.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes

in the environment.

FISCAL IMPACT

Acceptance of the donation of \$8,000 will allow the Senior Center Health & Wellness Case Management Program to provide public health and social services, including supplies and materials for presentations and special events.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, e-mail clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

Reviewed by: James Teixeira, Director, Parks & Recreation Department

Approved by: Jōvan D. Grogan, City Manager



City of Santa Clara

1500 Warburton Avenue
Santa Clara, CA 95050
santaclaraca.gov
[@SantaClaraCity](https://twitter.com/SantaClaraCity)

Agenda Report

23-806

Agenda Date: 6/27/2023

REPORT TO COUNCIL

SUBJECT

Recognition of Silicon Valley Central Chamber of Commerce Board of Directors

BACKGROUND

The Silicon Valley Central Chamber of Commerce (SVC Chamber) serves as advocates for the business community and the organization works towards advocating, connecting, and educating for the growth and sustainability for their business members. The SVC Chamber represents the City of Santa Clara and the Silicon Valley region businesses. SVC Chamber Officers and Directors are elected to serve on the Board from July 1 to June 30 of each year. The SVC Chamber Board of Directors develops and executes the policies of the Chamber and fiscal oversight of the organization.

DISCUSSION

At the June 27, 2023 City Council meeting, the Council will recognize the Silicon Valley Central Chamber of Commerce Board of Directors and Mayor Lisa M. Gillmor will facilitate a swearing-in ceremony of the new Board of Directors.

ENVIRONMENTAL REVIEW

This is an information report only and no action is being taken by the City Council and no environmental review under the California Environmental Quality Act ("CEQA") is required.

FISCAL IMPACT

There is no fiscal impact to the City other than staff time.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

Reviewed by: Maria Le, Assistant to the City Manager, Mayor and Council Offices

Approved by: Jōvan D. Grogan, City Manager, City Manager's Office



City of Santa Clara

1500 Warburton Avenue
Santa Clara, CA 95050
santaclaraca.gov
[@SantaClaraCity](https://twitter.com/SantaClaraCity)

Agenda Report

23-801

Agenda Date: 6/27/2023

REPORT TO COUNCIL

SUBJECT

Action on the Minutes of April 25, 2023 Council Special Meeting; May 5, 2023 Adjourned and Reconvened Special Council Meeting; May 9, 2023 Council and Authorities Concurrent; and May 23, 2023 Joint Council and Authorities Concurrent and Santa Clara Stadium Authority Meeting

RECOMMENDATION

Promote Community Engagement and Transparency

RECOMMENDATION

Approve the Minutes of April 25, 2023 Council Special Meeting; May 5, 2023 Adjourned and Reconvened Special Council Meeting; May 9, 2023 Council and Authorities Concurrent; and May 23, 2023 Joint Council and Authorities Concurrent and Santa Clara Stadium Authority Meeting.



City of Santa Clara

Minutes

City Council Special Meeting

04/25/2023

5:00 PM

Hybrid Meeting
City Hall Council Chambers/Virtual
1500 Warburton Avenue
Santa Clara, CA 95050

The City of Santa Clara is conducting City Council meetings in a hybrid manner (in-person and continues to have methods for the public to participate remotely).

- Via Zoom:
 - o <https://santaclaraca.zoom.us/j/99706759306>

Meeting ID: 997-0675-9306

- o Phone 1(669) 900-6833

How to Submit Written Public Comment Before City Council Meeting:

1. Use the eComment tab located on the City Council Agenda page <https://santaclaraca.legistar.com/Calendar.aspx>. eComments are directly sent to the iLegislate application used by City Council and staff, and become part of the public record. eComment closes 15 minutes before the start of a meeting.
2. By email to clerk@santaclaraca.gov by 12 p.m. the day of the meeting. Those emails will be forwarded to the Council and will be uploaded to the City Council Agenda as supplemental meeting material. Emails received after the 12 p.m. cutoff time up through the end of the meeting will form part of the meeting record. Please identify the Agenda Item Number in the subject line of your email. NOTE: Please note eComments and Emails received as public comment will not be read aloud during the meeting.

Agendas, Staff Reports and some associated documents for City Council items may be viewed on the Internet at <https://santaclaraca.legistar.com/Calendar.aspx>

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, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the City Clerk at Santa Clara City Hall, 1500 Warburton Avenue, Santa Clara, CA 95050 at the same time that the public records are distributed or made available to the legislative body. Any draft contracts, ordinances and resolutions posted on the Internet site or distributed in advance of the Council meeting may not be the final documents approved by the City Council. For the final document, you may contact the Office of the City Clerk at (408) 615-2220 or Clerk@santaclaraca.gov.

City Council Special Meeting

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of California Government Code §54956 ("The Brown Act") and Section 708 of the Santa Clara City Charter, the majority of the City Council calls for a Special City Council Meeting, to commence and convene on April 25, 2023, at 5:00 p.m. for a Special Meeting to be held virtually and in the City Hall Council Chambers located in the East Wing of City Hall at 1500 Warburton Avenue, Santa Clara, California, to consider the following matter(s) and to potentially take action with respect to them.

5:00 PM Special Council Meeting**Call to Order**

Mayor Gillmor called the Special Meeting to order at 5:05 p.m.

Pledge of Allegiance and Statement of Values

Council recited the Pledge of Allegiance.

Councilmember Jain recited the Statement of Values.

Assistant City Clerk Pimentel recited the AB 23 Announcement and Behavioral Standards.

Assistant City Clerk Pimentel also noted that any registered Lobbyist speaking during Public Meeting will need to identify themselves who they represent.

Roll Call

Present: 6 - Councilmember Kathy Watanabe, Councilmember Karen Hardy, Vice Mayor Kevin Park, Councilmember Suds Jain, Councilmember Anthony Becker, and Mayor Lisa M. Gillmor

Absent: 1 - Councilmember Raj Chahal

A motion was made by Councilmember Hardy, seconded by Councilmember Becker, to excuse Councilmember Chahal's absence.

Aye: 6 - Councilmember Watanabe, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

Absent: 1 - Councilmember Chahal

PUBLIC HEARING/GENERAL BUSINESS

1. [23-272](#) Consideration and Possible Actions on a Proposed 30-Unit Homekey Interim Housing Development on County-Owned Land Located at Lawrence Expressway and Benton Street, Including City Sponsorship and Partial Funding of Project Operations (CEQA: Statutory Exemption under Government Code Section 65913.4, SB 35 Affordable Housing Projects)

Recommendation:

1. Authorize the Office of the City Manager to negotiate and execute a three-party letter of intent between LifeMoves, County of Santa Clara, and the City of Santa Clara defining the roles and responsibilities for the financing, operations and construction management for the Homekey application for the property located at Lawrence and Benton Street in a final form approved by the City Attorney.
2. Adopt a resolution authorizing the Office of the City Manager to apply for, execute, and submit all required documents for California Department Housing and Community Development Homekey Program to participate as a co-applicant.
3. Authorize the County of Santa Clara to update the City of Santa Clara's California Permanent Local Housing Allocation 5-year plan by adding activity six to the County's PLHA plan to assist persons who are experiencing or at risk of homelessness and allocating year 3,4, and 5 funding, after deducting administrative costs, to the Benton/Lawrence interim housing to help fund operations.

Community Development Director Crabtree gave a Powerpoint presentation on the proposed 30-Unit Homekey Interim Housing Development.

Consuelo Hernandez, County Office of Supportive Housing, gave a PowerPoint presentation.

Heather Griffin, Director of Shelter and Services at LifeMoves gave a PowerPoint presentation.

President of Santa Clara County Supervisor Susan Ellenberg spoke in support of the proposed interim housing development.

Council questions and comments followed.

County Office of Supportive Housing Representative Hernandez, LifeMoves Director of Shelter & Services Griffin, and **Community Development Director Crabtree** responded to **Council** questions and comments.

The following members of the public spoke in support of the proposed 30-Unit Homekey Interim Housing Development:

Elysa Gurman - (16 minutes - Cam Coulter, Elizabeth Becker, Ann Krause, Bill DuMonthier, Dan, David Donaldson, Jill Nicole gave time)
Sarah Foad (4 minutes - Wendy Foad gave time)
Alon Altman
Melinda Berlant
Shalini Venkatesh (6 minutes - Jeff Houston, Cassidy Kearins gave time)
Irving Torres
Dylan
Anthony Medina-Alvarez
Asha DuMonthier
Darlene Day
Ali Sapirman
Steve Kelly
Jake Wilde
Dontae Lartigue
Cleo Cove
Jocelyn Arenas
Angelina Sanchez
Mya Carrasco
Christopher Perry
Jodan Grimes
Diane Harrison
Elizabeth Conlan
Ingrid Granados
Josh Selo, Bill Wilson Center
River Espinosa
Kirk
Ken Kratz
Matthew Reed, SV@Home
Alex Shoor
Cindy
Olivia Green
Marie Bernard

The following members of the public spoke in opposition of the proposed 30-Unit Homekey Interim Housing Development:

Bernadine Jagelski
Eric Crutchlow (4 minutes - Laura Crutchlow gave time)
Luisa
J. Pan (4 minutes - Ying Xu gave time)
Nanxi Li

City Council Special Meeting

Bo Nie
Thomas MacDevitt (10 minutes - Tie Feng, Tai Mei Yeh, Helen Kwan,
Cathy McGowan gave time)
Cherie Elliott
Ashish Verma (14 minutes - Kirti Gokhale, Mahendra Chaudhari, Sourabh
Sinha, Anjali S, Anwesa Chatterjee, Ashish Patel gave time)
Vishal Tanna
Brenda Gordon
Wilma Cadorna
Lynn Wang
John Sanchez
Kimmy
Kate Cao (4 minutes - Yang Jiao gave time)
Tom Lassen
Le Hui/Zhihao Li (10 minutes - Ishani Bhatt, Zeying Yuan, Jitesh Jain gave
time)
Julia Zhao
Alex
Erji Wang
Gautum Kulkarni (6 minutes - Nisha online, Pavan gave time)
Ken Heiman
Cindy Zheng (12 minutes - Deepak Rama, Vadiraj Hosus, Harsha Vashisht,
Niranjan Manjunath, Chandra Maddipatla gave time)
Yueming Sun
Pomeroy Association
Jun Yang (4 minutes, Xiaoyun Chen)
John Haggerty
Yulin (Joyce) Huang
Dorothy Yamamoto (12 minutes - Haiying Wu, Jinyui Zhong, Riancy Dong,
Amy Zhang, Joanne Yang gave time)
Ethan
Miranda
Maggie
Puxiao
Farokh Mehrshahi
David Ranch
Sarah
BW No Benton
Alex Wang
B West
Jacob
Danny
Ying Lu
Nitin
Raine

City Council Special Meeting

Li
Maggie's Husband
Neelu Kumawat
Jenny Yu
Wenyihu
Ramya Batta
Ruiyang Li
David Tran
Stephen Yang
Elisa Bao
Ally Vote No
Alex Chan
Eva Sun
Chaitanya
David Huoang
Jie Han
DG
Diwakar Kumawat
Ashlyn Ju
Dave
Jack
Bhargav Krishnamurthy
Ray
Julie Z
Jean
Daisy
jchin@guru4.org_
Carl's Mom
Manish Garg
Vineet
Christina Vo

Public Comment:
Wanda Buck

eComments:
11 in support
294 in opposition
1 neutral

Mayor Gillmor called a recess at 9:04 p.m. and reconvened the meeting at 9:24 p.m.

A motion was made by Councilmember Becker, seconded by Councilmember Hardy, to continue this item to a reconvened session at 5:00 p.m. on May 2, 2023.

City Council Special Meeting

Aye: 5 - Councilmember Watanabe, Councilmember Hardy, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

Nay: 1 - Vice Mayor Park

Excused: 1 - Councilmember Chahal

REPORTS OF MEMBERS AND SPECIAL COMMITTEES

There were none.

CITY MANAGER/EXECUTIVE DIRECTOR REPORT

There were none.

ADJOURNMENT

A motion made by Councilmember Becker, seconded by Councilmember Hardy to adjourn to a reconvened meeting on Tuesday, May 2, 2023 at 5:00 p.m.

Aye: 6 - Councilmember Watanabe, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

Excused: 1 - Councilmember Chahal

The next regular scheduled meeting is on Tuesday, May 9, 2023 in the City Hall Council Chambers.

City Council Special Meeting

MEETING DISCLOSURES

The time limit within which to commence any lawsuit or legal challenge to any quasi-adjudicative decision made by the City is governed by Section 1094.6 of the Code of Civil Procedure, unless a shorter limitation period is specified by any other provision. Under Section 1094.6, any lawsuit or legal challenge to any quasi-adjudicative decision made by the City must be filed no later than the 90th day following the date on which such decision becomes final. Any lawsuit or legal challenge, which is not filed within that 90-day period, will be barred. If a person wishes to challenge the nature of the above section in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City of Santa Clara, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

STREAMING SERVICES: As always, the public may view the meetings on SantaClaraCA.gov, Santa Clara City Television (Comcast cable channel 15 or AT&T U-verse channel 99), or the livestream on the City's YouTube channel or Facebook page.

Note: The public cannot participate in the meeting through these livestreaming methods; livestreaming capabilities may be disrupted at times, viewers may always view and participate in meetings in-person and via Zoom as noted on the agenda.

AB23 ANNOUNCEMENT: Members of the Santa Clara Stadium Authority, Sports and Open Space Authority and Housing Authority are entitled to receive \$30 for each attended meeting.

Note: The City Council and its associated Authorities meet as separate agencies but in a concurrent manner. Actions taken should be considered actions of only the identified policy body.

LEGEND: City Council (CC); Stadium Authority (SA); Sports and Open Space Authority (SOSA); Housing Authority (HA); Successor Agency to the City of Santa Clara Redevelopment Agency (SARDA); Bayshore North Project Enhancement Authority (BNPEA); Public Facilities Financing Corporation (PFFC)

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

If a member of the public submits a speaker card for any agenda items, their name will appear in the Minutes. If no speaker card is submitted, the Minutes will reflect "Public Speaker."

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the City of Santa Clara will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. The City of Santa Clara will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in the City's programs, services, and activities. The City of Santa Clara will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all of its programs, services, and activities.

Agendas and other written materials distributed during a public meeting that are public record will be made available by the City in an appropriate alternative format. Contact the City Clerk's Office at 1 408-615-2220 with your request for an alternative format copy of the agenda or other written materials.

Individuals who require an auxiliary aid or service for effective communication, or any other disability-related modification of policies or procedures, or other accommodation, in order to participate in a program, service, or activity of the City of Santa Clara, should contact the City's ADA Coordinator at 408-615-3000 as soon as possible but no later than 48 hours before the scheduled event.



City of Santa Clara

Minutes

Adjourned and Reconvened Special Meeting of the City Council from April 25, 2023

05/02/2023

5:00 PM

City Hall Council Chambers/Virtual
1500 Warburton Avenue
Santa Clara, CA 95050

The City of Santa Clara is conducting City Council meetings in a hybrid manner (in-person and continues to have methods for the public to participate remotely).

- Via Zoom:
 - o <https://santaclaraca.zoom.us/j/99706759306>

Meeting ID: 997-0675-9306

- o Phone 1(669) 900-6833

How to Submit Written Public Comment Before City Council Meeting:

1. Use the eComment tab located on the City Council Agenda page <https://santaclaraca.legistar.com/Calendar.aspx>. eComments are directly sent to the iLegislate application used by City Council and staff, and become part of the public record. eComment closes 15 minutes before the start of a meeting.
2. By email to clerk@santaclaraca.gov by 12 p.m. the day of the meeting. Those emails will be forwarded to the Council and will be uploaded to the City Council Agenda as supplemental meeting material. Emails received after the 12 p.m. cutoff time up through the end of the meeting will form part of the meeting record. Please identify the Agenda Item Number in the subject line of your email. NOTE: Please note eComments and Emails received as public comment will not be read aloud during the meeting.

Agendas, Staff Reports and some associated documents for City Council items may be viewed on the Internet at <https://santaclaraca.legistar.com/Calendar.aspx>

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, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the City Clerk at Santa Clara City Hall, 1500 Warburton Avenue, Santa Clara, CA 95050 at the same time that the public records are distributed or made available to the legislative body. Any draft contracts, ordinances and resolutions posted on the Internet site or distributed in advance of the Council meeting may not be the final documents approved by the City Council. For the final document, you may contact the Office of the City Clerk at (408) 615-2220 or Clerk@santaclaraca.gov.

5:00 PM ADJOURNED AND RECONVENED SPECIAL MEETING OF THE CITY COUNCIL FROM APRIL 25, 2023

Call to Order

Mayor Gillmor called the meeting to order at 5:06 p.m.

Pledge of Allegiance and Statement of Values

Council recited the Pledge of Allegiance.

Councilmember Chahal recited the Statement of Values.

Assistant City Clerk Pimentel recited the AB 23 Announcement and Behavioral Standards.

Assistant City Clerk Pimentel also noted that any registered Lobbyist speaking during a Public Meeting will need to identify themselves and who they represent.

Roll Call

Present: 7 - Councilmember Kathy Watanabe, Councilmember Raj Chahal, Councilmember Karen Hardy, Vice Mayor Kevin Park, Councilmember Suds Jain, Councilmember Anthony Becker, and Mayor Lisa M. Gillmor

PUBLIC HEARING/GENERAL BUSINESS

1. [23-591](#) Consideration and Possible Actions on a Proposed 30-Unit Homekey Interim Housing Development on County-Owned Land Located at Lawrence Expressway and Benton Street, Including City Sponsorship and Partial Funding of Project Operations (CEQA: Statutory Exemption under Government Code Section 65913.4, SB 35 Affordable Housing Projects) - Continued from the April 25, 2023 Council Meeting

Recommendation:

1. Authorize the Office of the City Manager to negotiate and execute a three-party letter of intent between LifeMoves, County of Santa Clara, and the City of Santa Clara defining the roles and responsibilities for the financing, operations and construction management for the Homekey application for the property located at Lawrence and Benton Street in a final form approved by the City Attorney.
2. Adopt a resolution authorizing the Office of the City Manager to apply for, execute, and submit all required documents for California Department Housing and Community Development Homekey Program to participate as a co-applicant.
3. Authorize the County of Santa Clara to update the City of Santa Clara's California Permanent Local Housing Allocation 5-year plan by adding activity six to the County's PLHA plan to assist persons who are experiencing or at risk of homelessness and allocating year 3,4, and 5 funding, after deducting administrative costs, to the Benton/Lawrence interim housing to help fund operations.

City Manager Grogan provided a brief introduction of the agenda item.

Councilmember Chahal stated he has viewed the April 25, 2023 meeting and is ready to participate in tonight's meeting.

Community Development Director Crabtree provided responses to the comments/questions received from the **Council** and community.

Further **Council** comments followed.

Consuelo Hernandez with County of Santa Clara Office of Supportive Housing, LifeMoves representatives Maria Jackson, Paul Simpson, Heather Griffin and Brian Greenberg, and City Housing Manager Adam Marcus responded to questions and comments.

Mayor Gillmor called a recess at 7:47 p.m. and reconvened the meeting at 8:02 p.m.

Closing remarks were made by **Council**.

A motion was made by Councilmember Hardy, seconded by Councilmember Watanabe to: 1) Authorize the Office of the City Manager to negotiate and execute a three-party letter of intent between LifeMoves, County of Santa Clara, and the City of Santa Clara defining the roles and responsibilities for the financing, operations and construction management for the Homekey application for the property located at Lawrence and Benton Street in a final form approved by the City Attorney; 3) Authorize the County of Santa Clara to update the City of Santa Clara's Permanent Local Housing Allocation 5-year plan by adding activity six to the County's PLHA plan to assist persons who are experiencing or at risk of homelessness and allocating year 3, 4, and 5 funding, after deducting administrative costs, to the Benton/Lawrence interim housing to help fund operations; 4) Provide direction to return to City Council for approval of a budget amendment appropriating up to \$5,500,000 from special revenue funds for operations at the Benton/Lawrence interim housing site; and include an Annual Review in the Letter of Intent.

Council made closing remarks on the motion.

A substitute motion was made by Councilmember Chahal, and seconded by Vice Mayor Park, to approve Alternative C and refer this back to staff and direct staff to modify the project or pursue other alternatives for permanent housing.

A motion was made by Councilmember Chahal, seconded by Vice Mayor Park, to consider the Substitute Motion. The motion failed.

Aye: 3 - Councilmember Chahal, Vice Mayor Park, and Mayor Gillmor

Nay: 4 - Councilmember Watanabe, Councilmember Hardy, Councilmember Jain, and Councilmember Becker

A motion was made by Councilmember Hardy, seconded by Councilmember Watanabe to: 1) Authorize the Office of the City Manager to negotiate and execute a three-party letter of intent between LifeMoves, County of Santa Clara, and the City of Santa Clara defining the roles and responsibilities for the financing, operations and construction management for the Homekey application for the property located at Lawrence and Benton Street in a final form approved by the City Attorney; 3) Authorize the County of Santa Clara to update the City of Santa Clara's Permanent Local Housing Allocation 5-year plan by adding activity six to the County's PLHA plan to assist persons who are experiencing or at risk of homelessness and allocating year 3, 4, and 5 funding, after deducting administrative costs, to the Benton/Lawrence interim housing to help fund operations; 4) Provide direction to return to City Council for approval of a budget amendment appropriating up to \$5,500,000 from special revenue funds for operations at the Benton/Lawrence interim housing site; and include an Annual Review in the Letter of Intent.

Aye: 4 - Councilmember Watanabe, Councilmember Hardy, Councilmember Jain, and Councilmember Becker

Nay: 3 - Councilmember Chahal, Vice Mayor Park, and Mayor Gillmor

REPORTS OF MEMBERS AND SPECIAL COMMITTEES

Councilmember Watanabe reported that she attended the Recycle Waste Reduction Commission meeting.

CITY MANAGER/EXECUTIVE DIRECTOR REPORT

There was none.

ADJOURNMENT

A motion was made by Councilmember Becker, seconded by Councilmember Chahal, to adjourn the meeting at 9:51 p.m.

Aye: 6 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

Nay: 1 - Vice Mayor Park

The next regular scheduled meeting is on Tuesday, May 9, 2023 in the City Hall Council Chambers.

MEETING DISCLOSURES

The time limit within which to commence any lawsuit or legal challenge to any quasi-adjudicative decision made by the City is governed by Section 1094.6 of the Code of Civil Procedure, unless a shorter limitation period is specified by any other provision. Under Section 1094.6, any lawsuit or legal challenge to any quasi-adjudicative decision made by the City must be filed no later than the 90th day following the date on which such decision becomes final. Any lawsuit or legal challenge, which is not filed within that 90-day period, will be barred. If a person wishes to challenge the nature of the above section in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City of Santa Clara, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

STREAMING SERVICES: As always, the public may view the meetings on SantaClaraCA.gov, Santa Clara City Television (Comcast cable channel 15 or AT&T U-verse channel 99), or the livestream on the City's YouTube channel or Facebook page.

Note: The public cannot participate in the meeting through these livestreaming methods; livestreaming capabilities may be disrupted at times, viewers may always view and participate in meetings in-person and via Zoom as noted on the agenda.

AB23 ANNOUNCEMENT: Members of the Santa Clara Stadium Authority, Sports and Open Space Authority and Housing Authority are entitled to receive \$30 for each attended meeting.

Note: The City Council and its associated Authorities meet as separate agencies but in a concurrent manner. Actions taken should be considered actions of only the identified policy body.

LEGEND: City Council (CC); Stadium Authority (SA); Sports and Open Space Authority (SOSA); Housing Authority (HA); Successor Agency to the City of Santa Clara Redevelopment Agency (SARDA); Bayshore North Project Enhancement Authority (BNPEA); Public Facilities Financing Corporation (PFFC)

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

If a member of the public submits a speaker card for any agenda items, their name will appear in the Minutes. If no speaker card is submitted, the Minutes will reflect "Public Speaker."

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the City of Santa Clara will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. The City of Santa Clara will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in the City's programs, services, and activities. The City of Santa Clara will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all of its programs, services, and activities.

Agendas and other written materials distributed during a public meeting that are public record will be made available by the City in an appropriate alternative format. Contact the City Clerk's Office at 1 408-615-2220 with your request for an alternative format copy of the agenda or other written materials.

Individuals who require an auxiliary aid or service for effective communication, or any other disability-related modification of policies or procedures, or other accommodation, in order to participate in a program, service, or activity of the City of Santa Clara, should contact the City's ADA Coordinator at 408-615-3000 as soon as possible but no later than 48 hours before the scheduled event.



City of Santa Clara

Meeting Minutes

Council and Authorities Concurrent Meeting

05/09/2023

4:00 PM

Hybrid Meeting
City Hall Council Chambers/Virtual
1500 Warburton Avenue
Santa Clara, CA 95050

The City of Santa Clara is conducting City Council meetings in a hybrid manner (in-person and continues to have methods for the public to participate remotely).

- Via Zoom:
 - o <https://santaclaraca.zoom.us/j/99706759306>

Meeting ID: 997-0675-9306

- o Phone 1(669) 900-6833

How to Submit Written Public Comment Before City Council Meeting:

1. Use the eComment tab located on the City Council Agenda page <https://santaclaraca.legistar.com/Calendar.aspx>. eComments are directly sent to the iLegislate application used by City Council and staff, and become part of the public record. eComment closes 15 minutes before the start of a meeting.
2. By email to clerk@santaclaraca.gov by 12 p.m. the day of the meeting. Those emails will be forwarded to the Council and will be uploaded to the City Council Agenda as supplemental meeting material. Emails received after the 12 p.m. cutoff time up through the end of the meeting will form part of the meeting record. Please identify the Agenda Item Number in the subject line of your email.

NOTE: Please note eComments and Emails received as public comment will not be read aloud during the meeting.

Agendas, Staff Reports and some associated documents for City Council items may be viewed on the Internet at <https://santaclaraca.legistar.com/Calendar.aspx>

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, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the City Clerk at Santa Clara City Hall, 1500 Warburton Avenue, Santa Clara, CA 95050 at the same time that the public records are distributed or made available to the legislative body. Any draft contracts, ordinances and resolutions posted on the Internet site or distributed in advance of the Council meeting may not be the final documents approved by the City Council. For the final document, you may contact the Office of the City Clerk at (408) 615-2220 or Clerk@santaclaraca.gov.

Closed Session - 4:00 PM | Study Session - 5:00 PM | Regular Meeting - 7:00 PM

4:00 PM CLOSED SESSION

Call to Order in the Council Chambers

Assistant City Clerk Pimentel announced that **Council** will convene at 4:45 p.m. and that **City staff** is proposing that the Closed Session items not be heard.

Mayor Gillmor called the meeting to order at 4:49 p.m.

City Attorney Googins stated the Closed Session items were deferred and stated that there was no public input.

Mayor Gillmor called a recess at 4:50 p.m.

Roll Call

Present: 7 - Councilmember Kathy Watanabe, Councilmember Raj Chahal, Councilmember Karen Hardy, Vice Mayor Kevin Park, Councilmember Suds Jain, Councilmember Anthony Becker, and Mayor Lisa M. Gillmor

1.A [23-616](#) Conference with Real Property Negotiators (CC)
Pursuant to Gov. Code § 54956.8
Property: 2435 Lafayette Street, Santa Clara, CA 95050; APN 224-35-020
City/Authority Negotiator: Jōvan D. Grogan, City Manager (or designee)
Negotiating Parties: Wesco Properties, Inc./Home Depot
Under Negotiation: Purchase/Sale/Exchange/Lease of Real Property
(provisions, price and terms of payment)

1.B [23-617](#) Conference with Legal Counsel-Existing Litigation (CC)
Pursuant to Gov. Code § 54956.9(d)(1)
City of Santa Clara v. Wesco Properties, Inc. et al., Santa Clara County
Superior Court Case No. 21CV380278

Public Comment

There was no public comment.

Convene to Closed Session (Council Conference Room)

5:00 PM STUDY SESSION

Call to Order in the Council Chambers

Mayor Gillmor reconvened the meeting at 5:01 p.m.

2. [23-142](#) Study Session to review Proposed FY 2023/24 and FY 2024/25 Biennial Operating Budget and FY 2023/24 Capital Improvement Program Budget Changes

Recommendation: 1. Review and provide input on the Proposed FY 2023/24 and FY 2024/25 Biennial Operating Budget and FY 2023/24 Capital Improvement Program Amendments.

City Manager Grogan introduced the Study Session Budget Item and introduced **Finance Director Lee**.

Finance Director Lee provided the PowerPoint presentation on the proposed FY2023-24 and FY 2024-25 Biennial Operating Budget and FY 2023-24 Capital Improvement Program budget changes.

Council comments and questions followed.

Public Comment:
Jonathon Evans
Wanda Buck

Finance Director Lee, Silicon Valley Power Director Pineda, and City Manager Grogan responded to questions.

Mayor Gillmor called for a recess at 7:00 p.m.

7:00 PM COUNCIL REGULAR MEETING

Call to Order

Mayor Gillmor reconvened the meeting at 7:10 p.m.

Pledge of Allegiance and Statement of Values

Council recited the Pledge of Allegiance.

Councilmember Chahal recited the Statement of Values.

Assistant City Clerk Pimentel recited the AB 23 Announcement and Behavioral Standards.

Assistant City Clerk Pimentel also noted that any registered Lobbyist speaking during Public Meeting will need to identify themselves who they represent.

Mayor Gillmor asked for a moment of silence for the victims of the mass shooting at the Allen Premium Outlets in Allen, TX on May 6, 2023.

Mayor Gillmor introduced new **City Manager Jövan D. Grogan**. **City Manager Grogan** made a few remarks.

SPECIAL ORDER OF BUSINESS

3.A [23-562](#) Action on the Appointment of Youth Commissioners for the FY2023/24 Term

Recommendation: That Council take the following actions related to the FY2023/24 Youth Commission:

- a) reappoint Simren Garg, Aarav Gupta, Fatimah Ismail, Khadeejah Khan, Ryan Kim, Kira Liang, Keith Maben, Malia Martin, Samaira Mehta, Hiranya Parekh, Sudeepthi Ravapti, Samarth Sursh, and Sarah Zuo as Youth Commissioners;
- b) appoint Namita Gaidhani and Maryam Ismail as Youth Commissioners; and,
- c) appoint Julianna Aria Hernandez and Niharika Upplapati as alternates to the Youth Commission.

Recreation Coordinator Jon Kawada gave a verbal report and introduced the recommended Youth Commissioners for FY23/24 for appointed and re-appointment.

A motion was made by Councilmember Hardy, seconded by Vice Mayor Park, to approve the following actions related to the FY2023/24 Youth Commission: a) reappoint Simren Garg, Aarav Gupta, Fatimah Ismail, Khadeejah Khan, Ryan Kim, Kira Liang, Keith Maben, Malia Martin, Samaira Mehta, Hiranya Parekh, Sudeepthi Ravapti, Samarth Sursh, and Sarah Zuo as Youth Commissioners; b) appoint Namita Gaidhani and Maryam Ismail as Youth Commissioners; and, c) appoint Julianna Aria Hernandez and Niharika Upplapati as alternates to the Youth Commission.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

3.B [23-561](#) Recognition of Outgoing Youth Commission Members for FY2022/23

Recreation Coordinator Jon Kawada introduced outgoing Youth Commissioners **Jasmine Kelly-Tanti and Rajvi Khanjan Shroff.**

3.C [23-450](#) Recognition of Red Cross Month and Volunteers of the Red Cross

Mayor Gillmor proclaimed March as Red Cross Month in Santa Clara and acknowledged the volunteers of the Red Cross. American Red Cross Boardmembers Saksham Gakhar and Joe Siecinski accepted the proclamation.

- 3.D** [23-540](#) Proclamation of Drinking Water Week May 7-13, 2023
- Mayor Gillmor** proclaimed May 7 through 13, 2023 as Drinking Water Week. Director of Water and Sewer Welling accepted the proclamation, introduced staff, and made some remarks.
- 3.E** [23-483](#) Presentation by the Senior Advisory Commission on the Upcoming “Be Strong, Live Long” 2023 Health & Wellness Fair
- Senior Advisory Commission Chair Nancy Toledo** gave a brief presentation on the upcoming Be Strong Live Long 2023 Health and Wellness Fair being held on May 19, 2023 at Fremont Park.
- 3.F** [23-587](#) Recognition of Volunteer Donna West
- Mayor Gillmor** recognized volunteer **Donna West**.
- Mary Grizzle** made some remarks about **Donna West**.
- Donna West** thanked the **Council** for the recognition and provided some remarks.
- Council** comments followed.

REPORTS OF ACTION TAKEN IN CLOSED SESSION MATTERS

City Attorney Googins stated there were was nothing to report as the Closed Session items were deferred.

CONTINUANCES/EXCEPTIONS/RECONSIDERATIONS

The following members of the public requested **Council** reconsideration of the 30-Unit Homekey Interim Housing Development:

Ashish Verma
John K. Haggerty
Sierra
Dana
Gautam Kulkari
Erji Wang
Ji

City Attorney Googins responded to the legal concerns brought up by the public and stated there were no legal issues with the information provided by staff at the May 2, 2023 Special Meeting. He further explained the reconsideration process.

There was no motion from the prevailing members for reconsideration as requested by the public.

Vice Mayor Park and **Councilmember Chahal** requested Council reconsideration for the 30-Unit Homekey Interim Housing Development.

There was no motion from the prevailing members for reconsideration as requested by **Vice Mayor Park** and **Councilmember Chahal**.

[23-662](#)

ECOMMENTS

eComment:
Ashish Verma

CONSENT CALENDAR

A motion was made by Councilmember Becker, seconded by Councilmember Hardy, to approve the Consent Calendar.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

4.A [23-12](#) Board, Commissions and Committee Minutes

Recommendation: Note and file the Minutes of:
Bicycle and Pedestrian Advisory Committee - October 24, 2022
Bicycle and Pedestrian Advisory Committee - January 23, 2023
Planning Commission - January 11, 2023
Parks & Recreation Commission - March 21, 2023
Senior Advisory Commission - March 27, 2023

A motion was made by Councilmember Becker, seconded by Councilmember Hardy, to note and file the minutes of October 24, 2022 and January 23, 2023 Bicycle and Pedestrian Advisory Committee; January 11, 2023 Planning Commission; and the March 21, 2023 Parks & Recreation Commission.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

4.B [23-488](#) Action on Bills and Claims Report (CC, SCSA, HA) for the period March 4, 2023 - April 7, 2023

Recommendation: Approve the list of Bills and Claims for March 4, 2023 - April 7, 2023.

A motion was made by Councilmember Becker, seconded by Councilmember Hardy, to approve the list of Bills and Claims for March 4, 2023 - April 7, 2023.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

- 4.C [23-102](#) Authorize the City Manager to Negotiate and Execute an Agreement for Services with Cormetech, Inc. for the Replacement of Two Selective Catalytic Reduction Nitrogen Oxides Catalysts and to Provide Ongoing Catalyst Sampling, Testing, Inspection, and Maintenance Services at the Donald Von Raesfeld Power Plant for Silicon Valley Power

- Recommendation:**
1. Determine that the proposed actions are categorically exempt from CEQA pursuant to Section 15301 of Title 14 of the California Code of Regulations;
 2. Authorize the City Manager to negotiate and execute an Agreement for Services with Cormetech, Inc. with a maximum compensation not to exceed \$1,000,000 over a five-year term and take any necessary or advisable actions to implement and administer the Agreement; and
 3. Authorize the City Manager to negotiate and execute amendments to the Agreement to (a) add or delete services consistent with the scope of the services for the Agreement, (b) incorporate future rate adjustments, and (c) increase maximum compensation if required up to a maximum compensation of \$1,500,000, subject to the appropriation of funds.

A motion was made by Councilmember Becker, seconded by Councilmember Hardy, to: 1) determine that the proposed actions are categorically exempt from CEQA pursuant to Section 15301 of Title 14 of the California Code of Regulations; 2) authorize the City Manager to negotiate and execute an Agreement for Services with Cormetech, Inc. with a maximum compensation not to exceed \$1,000,000 over a five-year term and take any necessary or advisable actions to implement and administer the Agreement; and 3) Authorize the City Manager to negotiate and execute amendments to the Agreement to (a) add or delete services consistent with the scope of the services for the Agreement, (b) incorporate future rate adjustments, and (c) increase maximum compensation if required up to a maximum compensation of \$1,500,000, subject to the appropriation of funds.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

4.D [23-423](#)

Action on Agreement with Noll and Tam Architects for Professional Services for the Patrick Henry Drive Specific Plan Community Art Center Project and Related Budget Amendment

Recommendation:

1. Authorize the City Manager to execute an Agreement with Noll and Tam Architects to provide professional services for the Patrick Henry Drive Specific Plan Community Art Center, in substantially the form presented, with maximum compensation not-to-exceed \$529,353, in a final form approved by the City Attorney;
2. Authorize the City Manager to execute change orders limited to the deletion, addition, or modification of services, which result in no increase to the compensation or any other term or condition of the Agreement;
3. Authorize the City Manager to execute amendments to the Agreement to make minor revisions and to extend the term of the agreement as required to complete the project; and
4. Approve the following FY 2022/23 budget amendment in the Parks and Recreation Capital Fund to establish a Patrick Henry Drive Specific Plan Community Art Center Project, establish a project appropriation in the amount of \$529,353, and decrease the Mitigation Fee Act fund balance by the same amount **(five affirmative Council votes required for the use of unused balances)**.

A motion was made by Councilmember Becker, seconded by Councilmember Hardy, to 1) Authorize the City Manager to execute an Agreement with Noll and Tam Architects to provide professional services for the Patrick Henry Drive Specific Plan Community Art Center, in substantially the form presented, with maximum compensation not-to-exceed \$529,353, in a final form approved by the City Attorney; 2) Authorize the City Manager to execute change orders limited to the deletion, addition, or modification of services, which result in no increase to the compensation or any other term or condition of the Agreement; 3) Authorize the City Manager to execute amendments to the Agreement to make minor revisions and to extend the term of the agreement as required to complete the project; and 4) Approve the following FY 2022/23 budget amendment in the Parks and Recreation Capital Fund to establish a Patrick Henry Drive Specific Plan Community Art Center Project, establish a project appropriation in the amount of \$529,353, and decrease the Mitigation Fee Act fund balance by the same amount.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

- 4.E [23-331](#) Action on a Resolution Authorizing the Filing of an Application with the Metropolitan Transportation Commission for Allocation of Transportation Development Act Article 3, Pedestrian and Bicycle Project Funding for Fiscal Year 2023/24

Recommendation: Adopt a Resolution Authorizing the Filing of an Application with the Metropolitan Transportation Commission for Allocation of Transportation Development Act Article 3, Pedestrian and Bicycle Project Funding for Fiscal Year 2023/24.

A motion was made by Councilmember Becker, seconded by Councilmember Hardy, to adopt Resolution 23-9222 authorizing the Filing of an Application with the Metropolitan Transportation Commission for Allocation of Transportation Development Act Article 3, Pedestrian and Bicycle Project Funding for Fiscal Year 2023/24.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

- 4.F [23-104](#) Action on a Resolution Regarding the City of Santa Clara's Intention to Issue Tax-exempt Electric System Bonds for Reimbursement of Expenditures for Certain Capital Improvement Projects of Silicon Valley Power

Recommendation: Adopt a Resolution regarding the City of Santa Clara's intention to issue tax-exempt electric system bonds for reimbursement of expenditures for certain Capital Improvement Projects of Silicon Valley Power.

A motion was made by Councilmember Becker, seconded by Councilmember Hardy, to adopt Resolution 23-9223 regarding the City of Santa Clara's intentions to issue tax-exempt electric system bonds for reimbursement of expenditures for certain Capital Improvement Projects of Silicon Valley Power.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

- 4.G [23-349](#) Action on a Resolution to Adopt a List of Projects Funded by Senate Bill 1, The Road Repair and Accountability Act, for Fiscal Year 2023-24

Recommendation: Adopt a Resolution to Adopt a List of Projects Funded by Senate Bill 1, The Road Repair and Accountability Act, for Fiscal Year 2023-24.

A motion was made by Councilmember Becker, seconded by Councilmember Hardy, to adopt Resolution 23-9224 to adopt a list of projects funded by Senate Bill 1, the Road Repair and Accountability Act, for Fiscal Year 2023-24.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

- 4.H [23-566](#) Action on a Resolution approving the 2023 Deferred Compensation Committee Calendar of Meetings, and setting the Number and Start Time of Regular Meetings of the Deferred Compensation Committee.

Recommendation: Adopt a Resolution approving the 2023 Deferred Compensation Committee Calendar of Meetings, and setting the number and start time of regular Deferred Compensation Committee meetings for 2023.

A motion was made by Councilmember Becker, seconded by Councilmember Hardy, to adopt Resolution 23-9225 approving the 2023 Deferred Compensation Committee Calendar of Meetings, and setting the number and start time of regular Deferred Compensation Committee meetings for 2023.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

- 4.I [23-487](#) Action to Adopt a Resolution to Terminate the Proclamation of Emergency Drought Conditions, Continue Stage 2 of the Water Shortage Contingency Plan, and Establish a 15% Voluntary Water Use Reduction

Recommendation: 1. Adopt a Resolution to Terminate the Proclamation of Emergency Drought Conditions, Continue Stage 2 of the Water Shortage Contingency Plan, and Adopt a 15% Voluntary Water Use Reduction Compared to 2019 Usage in Alignment with the Valley Water.

A motion was made by Councilmember Becker, seconded by Councilmember Hardy, to adopt Resolution 23-9226 to terminate the Proclamation of Emergency Drought Conditions, Continue Step 2 of the Water Shortage Contingency Plan, and adopt a voluntary water use reduction compared to the 2019 usage in alignment with Valley Water.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

- 4.J** [23-138](#) Waive First Reading and take Action on the Introduction of an Ordinance to Repeal Chapter 15.45 (Prevention of Flood Damage Code) and Adopt the New Floodplain Management Ordinance Establishing a New Chapter 15.45 (Floodplain Management Regulations) of the Santa Clara City Code. (CEQA: Exempt Pursuant to CEQA Guidelines Section 15061(b)(3), Projects Which Do Not Have the Potential for Causing a Significant Effect on the Environment)

Recommendation: Alternative 1: Repeal Chapter 15.45 (Prevention of Flood Damage Code) and adopt the new Floodplain Management Ordinance establishing a new Chapter 15.45 (Floodplain Management Regulations).

A motion was made by Councilmember Becker, seconded by Councilmember Hardy, to repeal Chapter 15.45 (Prevention of Flood Damage Code) and adopt a new Floodplain Management Ordinance 23-2060 establishing a new Chapter 15.45 (Floodplain Management Regulations).

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

PUBLIC PRESENTATIONS

Kirk Vartan spoke about the Public Records Act request he submitted requested **Councilmember Park's** emails and spoke about the need to create an independent ethics committee as recommended by the Santa Clara County Civil Grand Jury.

Matthew Tinsley, Director of the Strong Start Initiative at the Santa Clara County Office of Education, spoke on the need of high quality early care education programs in Santa Clara.

CONSENT ITEMS PULLED FOR DISCUSSION

There were none.

PUBLIC HEARING/GENERAL BUSINESS

5. [23-181](#) Public Hearing: FY23/24 FINAL Annual Action Plan for the Use of Federal Housing and Urban Development Grant Funds

Recommendation: 1. Approve the 2023-2024 FINAL Annual Action Plan, and direct staff to incorporate all public comment into the final version prior to submission to Housing and Urban Development by May 15, 2023.

Housing Manager Marcus gave a PowerPoint presentation on the FY23/24 Final Annual Action Plan for the Use of Federal Housing and Urban Development Grant Funds.

Council comments and questions followed.

Public Speakers:

Teresa

John Haggerty

Kathy Betts

Pilar Furlong

Georgia Bacil

Katie Fantin

A motion was made by Councilmember Becker, seconded by Councilmember Chahal, to close the Public Hearing.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

A motion was made by Councilmember Becker, seconded by Councilmember Chahal, to approve the 2023-2024 Final Annual Action Plan, and direct staff to incorporate all public comment into the final version prior to submission to the Housing and Urban Development by May 15, 2023.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

6. [23-556](#) Public Hearing: Waive First Reading and take Action on the Introduction of an Ordinance to Amend Zoning Code Section 18.60.050 to Permit Fuel Cells and Photovoltaic Panels as an Allowable Use without Need for a Use Permit, as well as Require Other Electric Power Plants to Adhere to State of California Emissions Requirements in MP - Planned Industrial, ML - Light Industrial, MH - Heavy Industrial, B - Public, Quasi-Public, and Public Park or Recreation, and PD - Planned Development Zoning Districts

Recommendation: Waive First Reading and Introduce an Ordinance to Amend Zoning Code Section 18.60.050 to Permit Fuel Cells and Photovoltaic Panels as an Allowable Use without Need for a Use Permit, as well as Require Other Electric Power Plants to Adhere to State of California Emissions Requirements in MP - Planned Industrial, ML - Light Industrial, MH - Heavy Industrial, B - Public, Quasi-Public, and Public Park or Recreation, and PD - Planned Development Zoning Districts

Community Development Assistant Director Brilliot gave a PowerPoint presentation on amending the zoning code section 18.60.050 to permit fuels cells and photovoltaic panels as an allowable use without need for a use permit & require other electric power plants to adhere to State of California emissions requirements in MP, ML, MH, B, and PD Zoning districts.

Council comments and questions followed.

Public Speaker:
John Haggerty

A motion was made by Councilmember Becker, seconded by Councilmember Chahal, to close the Public Hearing.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

A motion was made by Councilmember Becker, seconded by Councilmember Hardy, to waive first reading and introduce Ordinance 23-2061 to amend Zoning Code Section 18.60.050 to permit fuels cells and photovoltaic panels as an allowable use without need for a use permit, as well as require other electric power plants to adhere to State of California Emissions Requirements in MP Planned Industrial, ML - Light Industrial, MH - Heavy Industrial, B - Public, Quasi-Public and Public Park or Recreation, and PD - Planned Development Zoning Districts.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

REPORTS OF MEMBERS AND SPECIAL COMMITTEES

Vice Mayor Park reported attended two Asian American Awareness events with a Santa Clara County Supervisor Simitian and Asian Americans for Community Involvement of Santa Clara County (AACI) and a Town Hall by Congressman Khanna and Congresswoman Lee recognizing Asian Americans in their communities.

Councilmember Jain reported that from May 1 - May 3, 2023 he attended the Northern California Power Agency Federal Policy Conference and met with staff members from the offices of Congresswoman Eshoo, Congressman Khanna, and Congresswoman Feinstein.

Councilmember Watanabe reported that she attended the event with Santa Clara County Supervisor Simitian.

CITY MANAGER/EXECUTIVE DIRECTOR REPORT

There were none.

[23-634](#)

Tentative Meeting Agenda Calendar (TMAC)

ADJOURNMENT

A motion was made by Councilmember Hardy, seconded by Councilmember Becker, to adjourn the meeting at 9:37 p.m. in memory of Bishop Patrick J. McGrath.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

The next regular scheduled meeting is on Tuesday, May 23, 2023 in the City Hall Council Chambers.

MEETING DISCLOSURES

The time limit within which to commence any lawsuit or legal challenge to any quasi-adjudicative decision made by the City is governed by Section 1094.6 of the Code of Civil Procedure, unless a shorter limitation period is specified by any other provision. Under Section 1094.6, any lawsuit or legal challenge to any quasi-adjudicative decision made by the City must be filed no later than the 90th day following the date on which such decision becomes final. Any lawsuit or legal challenge, which is not filed within that 90-day period, will be barred. If a person wishes to challenge the nature of the above section in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City of Santa Clara, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

STREAMING SERVICES: As always, the public may view the meetings on SantaClaraCA.gov, Santa Clara City Television (Comcast cable channel 15 or AT&T U-verse channel 99), or the livestream on the City's YouTube channel or Facebook page.

Note: The public cannot participate in the meeting through these livestreaming methods; livestreaming capabilities may be disrupted at times, viewers may always view and participate in meetings in-person and via Zoom as noted on the agenda.

AB23 ANNOUNCEMENT: Members of the Santa Clara Stadium Authority, Sports and Open Space Authority and Housing Authority are entitled to receive \$30 for each attended meeting.

Note: The City Council and its associated Authorities meet as separate agencies but in a concurrent manner. Actions taken should be considered actions of only the identified policy body.

LEGEND: City Council (CC); Stadium Authority (SA); Sports and Open Space Authority (SOSA); Housing Authority (HA); Successor Agency to the City of Santa Clara Redevelopment Agency (SARDA); Bayshore North Project Enhancement Authority (BNPEA); Public Facilities Financing Corporation (PFFC)

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

If a member of the public submits a speaker card for any agenda items, their name will appear in the Minutes. If no speaker card is submitted, the Minutes will reflect "Public Speaker."

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the City of Santa Clara will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. The City of Santa Clara will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in the City's programs, services, and activities. The City of Santa Clara will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all of its programs, services, and activities.

Agendas and other written materials distributed during a public meeting that are public record will be made available by the City in an appropriate alternative format. Contact the City Clerk's Office at 1 408-615-2220 with your request for an alternative format copy of the agenda or other written materials.

Individuals who require an auxiliary aid or service for effective communication, or any other disability-related modification of policies or procedures, or other accommodation, in order to participate in a program, service, or activity of the City of Santa Clara, should contact the City's ADA Coordinator at 408-615-3000 as soon as possible but no later than 48 hours before the scheduled event.



City of Santa Clara

Minutes

Joint Council and Authorities Concurrent

& Santa Clara Stadium Authority

05/23/2023

7:00 PM

Hybrid Meeting
City Hall Council Chambers/Virtual
1500 Warburton Avenue
Santa Clara, CA 95050

The City of Santa Clara is conducting City Council meetings in a hybrid manner (in-person and continues to have methods for the public to participate remotely).

- Via Zoom:
 - o <https://santaclaraca.zoom.us/j/99706759306>

Meeting ID: 997-0675-9306

- o Phone 1(669) 900-6833

How to Submit Written Public Comment Before City Council Meeting:

1. Use the eComment tab located on the City Council Agenda page <https://santaclaraca.legistar.com/Calendar.aspx>. eComments are directly sent to the iLegislate application used by City Council and staff, and become part of the public record. eComment closes 15 minutes before the start of a meeting.
2. By email to clerk@santaclaraca.gov by 12 p.m. the day of the meeting. Those emails will be forwarded to the Council and will be uploaded to the City Council Agenda as supplemental meeting material. Emails received after the 12 p.m. cutoff time up through the end of the meeting will form part of the meeting record. Please identify the Agenda Item Number in the subject line of your email.

NOTE: Please note eComments and Emails received as public comment will not be read aloud during the meeting.

Agendas, Staff Reports and some associated documents for City Council items may be viewed on the Internet at <https://santaclaraca.legistar.com/Calendar.aspx>

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, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the City Clerk at Santa Clara City Hall, 1500 Warburton Avenue, Santa Clara, CA 95050 at the same time that the public records are distributed or made available to the legislative body. Any draft contracts, ordinances and resolutions posted on the Internet site or distributed in advance of the Council meeting may not be the final documents approved by the City Council. For the final document, you may contact the Office of the City Clerk at (408) 615-2220 or Clerk@santaclaraca.gov.

7:00 PM JOINT COUNCIL/STADIUM AUTHORITY MEETING

Call to Order

Mayor/Chair Gillmor called the meeting to order at 7:01 p.m.

Pledge of Allegiance and Statement of Values

Council/Board recited the Pledge of Allegiance.

Council/Boardmember Jain recited the Statement of Values.

Assistant City Clerk/Secretary Pimentel recited the AB 23
Announcement and Behavioral Standards.

Assistant City Clerk/Secretary Pimentel also noted that any registered
Lobbyist speaking during a Public Meeting will need to identify
themselves and who they represent.

Roll Call

Present: 7 - Council/Boardmember Kathy Watanabe, Council/Boardmember
Raj Chahal, Council/Boardmember Karen Hardy, Vice Mayor/
Chair Kevin Park, Council/Boardmember Suds Jain, Council/
Boardmember Anthony Becker, and Mayor/Chair Lisa M. Gillmor

CONTINUANCES/EXCEPTIONS/RECONSIDERATIONS

Mayor/Chair Gillmor moved Item 9 to be heard after Item 5.

SPECIAL ORDER OF BUSINESS

1.A [23-500](#) Proclaim May 2023 as Asian American Pacific Islander Heritage Month

Mayor Gillmor proclaimed May 2023 as Asian American Pacific Islander Heritage Month.

Joel Wong with National Asian Americans United accepted the proclamation and shared a video.

Eunice Chun with Korean American Community Services accepted the proclamation and shared a video.

Vice President of the Santa Clara Cricket Club Umar Ali accepted the proclamation and shared a PowerPoint presentation.

Council comments followed.

1.B [23-451](#) Recognition of the Recipients of the Silicon Valley Power Sustainable Future Scholarship Program at Santa Clara University

Mayor Gillmor recognized the Silicon Valley Power Sustainable Future Scholarship Program.

Silicon Valley Power Chief Utility Officer Pineda introduced **Director of the Center for Sustainability for Santa Clara University Lindsey Kalkbrenner** who briefly explained the program. **Ms. Kalkbrenner** then introduced scholarship recipients **Ayla Flanagan, Conor Grady, and Declan Bernal** who each provided brief comments to **Council**.

Council comments followed.

1.C [23-140](#) Proclamation of National Public Works Week 2023

Mayor Gillmor proclaimed May 21 - May 27, 2023 as National Public Works Week.

Public Works Director Mobeck accepted the proclamation and introduced Public Works staff.

Council comments followed.

CONSENT CALENDAR

Mayor/Chair Gillmor noted eComments received for Items 2.L and 2.Q.

Mayor/Chair Gillmor stated that she will abstain from voting on Item 2.H and that she will be voting "No" on Items 4.A and 4.B.

Council/Boardmember Watanabe stated she will also be voting "No" on Items 4.A and 4.B.

Vice Mayor/Chair Park pulled Item 2.D for discussion.

Council/Boardmember Becker pulled Item 2.P for discussion.

A motion was made by Council/Boardmember Becker, seconded by Council/Boardmember Chahal, to approve the balance of the Consent Calendar.

Aye: 7 - Council/Boardmember Watanabe, Council/Boardmember Chahal, Council/Boardmember Hardy, Vice Mayor/Chair Park, Council/Boardmember Jain, Council/Boardmember Becker, and Mayor/Chair Gillmor

- 2.A [23-683](#) Action on the Minutes of April 4, 2023 Council and Authorities Concurrent and Special Santa Clara Stadium Authority Meeting and the April 18, 2023 Joint Council and Authorities Concurrent and Santa Clara Stadium Authority Meeting

Recommendation: Approve the Meeting Minutes Action on the Minutes April 4, 2023 Council and Authorities Concurrent Special Santa Clara Stadium Authority Meeting and the April 18, 2023 Joint Council and Authorities Concurrent and Santa Clara Stadium Authority Meeting.

A motion was made by Council/Boardmember Becker, seconded by Council/Boardmember Chahal, to approve the action minutes of the April 4, 2023 Council and Authorities meeting and the April 18, 2023 Joint Council and Authorities Concurrent and Santa Clara Authority Meeting.

Aye: 7 - Council/Boardmember Watanabe, Council/Boardmember Chahal, Council/Boardmember Hardy, Vice Mayor/Chair Park, Council/Boardmember Jain, Council/Boardmember Becker, and Mayor/Chair Gillmor

- 2.B [23-13](#) Board, Commissions and Committee Minutes

Recommendation: Note and file the Minutes of:
Youth Commission - March 14, 2023
Cultural Commission - April 3, 2023
Youth Commission - April 11, 2023
Parks & Recreation Commission - April 18, 2023

A motion was made by Councilmember Becker, seconded by Councilmember Chahal, to note and file the minutes of the March 14, 2023 Youth Commission meeting; April 3, 2023 Cultural Commission meeting; April 11, 2023 Youth Commission meeting; and the April 18, 2023 Parks and Recreation Commission meeting.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

- 2.C [23-337](#) Action on Monthly Financial Status and Investment Reports for February and March 2023 and Approve the Related Budget Amendments

Recommendation: Note and file the Monthly Financial Status and Investment Reports for February and March 2023 as presented and Approve the Related Budget Amendments (five affirmative Council votes required to appropriate additional revenue or for the use of unused balances).

A motion was made by Councilmember Becker, seconded by Councilmember Chahal, to note and file the Monthly Financial Status and Investment Reports for February and March 2023 as presented and to approve the related budget amendments.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

2.E [23-252](#) Action on a Vesting Tentative Map for 3000 Patrick Henry Drive (CEQA: Addendum to the Patrick Henry Drive Specific Plan EIR)

Recommendation: Adopt a resolution to approve the Vesting Tentative Map to subdivide the existing lot into two lots with one condominium unit at 3000 Patrick Henry Drive.

A motion was made by Councilmember Becker, seconded by Councilmember Chahal, to adopt Resolution 23-9227 to approve the Vesting Tentative Map to subdivide the existing lot into two lots with one condominium unit at 3000 Patrick Henry Drive.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

2.F [23-472](#)

Action on an Agreement with CSG Consultants, Inc. for Design Professional Services for the Miscellaneous Asphalt and Concrete Maintenance and Repairs Project and Related Budget Amendments

Recommendation:

1. Approve and authorize the City Manager to execute an Agreement with CSG Consultants, Inc. for the Miscellaneous Asphalt and Concrete Maintenance and Repairs Project in the amount not-to-exceed \$293,710, in substantially the form presented, in a final form approved by the City Attorney;
2. Authorize the City Manager to make minor, non-substantive modifications, including time extensions, to the Agreement, if needed;
3. Approve the following FY 2022/23 Budget Amendments (five affirmative Council votes required for the use of unused balances or to appropriate additional revenue):
 - A. In the Water Utility Capital Fund, increase the Transfer to the Public Buildings Capital Fund in the amount of \$11,781 and decrease the Unrestricted Ending Fund Balance in the same amount;
 - B. In the Sewer Utility Fund, establish a Transfer to the Public Buildings Capital Fund in the amount of \$119,119 and decrease the Unrestricted Ending Fund Balance in the same amount;
 - C. In the Library Department Capital Fund, decrease the Central Park Library - Concrete Sidewalk Replacement project in the amount of \$57,300 and establish a Transfer to the Public Buildings Capital Fund of \$57,300;
 - D. In the Convention Center Maintenance District Fund, decrease the Public Works Department budget by \$71,700 and establish a Transfer to the Public Buildings Capital Fund of \$71,700; and
 - E. In the Public Buildings Capital Fund, recognize each transfer totaling \$259,900 and increase the Public Building Parking Lot Improvements Project appropriation by \$259,900.

A motion was made by Councilmember Becker, seconded by Councilmember Chahal, to approve and authorize the City Manager to execute an agreement with CSG Consultants, Inc. for the Miscellaneous Asphalt and Concrete Maintenance and Repairs Project in the amount not-to-exceed \$293,710, in substantially the form presented, in a final form approved by the City Attorney; authorize the City Manager to make, minor, non-substantive modifications including time extensions, to the Agreement, if needed; to approve the following FY2022-23 Budget Amendments: a) in the Water Utility Capital Fund, increase the transfer to the Public Buildings Capital Fund in the amount of \$11,781 and decrease the Unrestricted Ending Fund Balance in the same amount; b) in the Sewer Utility Fund, establish a transfer to the Public Buildings Capital Fund in the amount of \$119,119 and

decrease the Unrestricted Ending Fund Balance in the same amount; c) in the Library Department Capital Fund, decrease the Capital Park Library - Concrete Sidewalk Replacement project in the amount of \$57,300 and establish a transfer to the Public Buildings Capital Fund of \$57,300; d) in the Convention Center Maintenance District Fund, decrease the Public Works Department Budget by \$71,700 and establish a transfer to the Public Buildings Capital Fund of \$71,700; and e) in the Public Buildings Capital Fund, recognize each transfer totaling \$259,900.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

2.G [23-393](#)

Action on Amendment No. 1 to the Agreement for Professional Services with CSG Consultants, Inc. for Development Plan Review and Field Inspection Services

Recommendation:

1. Approve and Authorize the City Manager to execute Amendment No. 1 to the Agreement for Professional Services with CSG Consultants, Inc. for Development Plan Review and Field Inspection Services, in substantially the form presented, in a final form approved by the City Attorney.
2. Authorize the City Manager to make minor modifications, including time extensions, to the agreement if necessary, on forms approved by the City Attorney.

A motion was made by Councilmember Becker, seconded by Councilmember Chahal, to approve and authorize the City Manager to execute Amendment No. 1 to the agreement for professional services with CSG Consultants, Inc. for Development Plan Review and Field Inspection Services, in substantially the form presented, in a final form approved by the City Attorney; and to authorize the City Manager to make minor modifications, including time extensions, to the agreement if necessary, on forms approved by the City Attorney.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

- 2.H [23-579](#) Authorize the City Manager to Negotiate and Execute Lease Extensions for 1000 Lafayette Street (Peddler's Plaza) to May 31, 2024

Recommendation: Authorize the City Manager to negotiate and execute amendments to the existing leases for the commercial spaces at 1000 Lafayette to extend the term of each lease to May 31, 2024 in final forms approved by the City Attorney.

Mayor Gillmor abstained from voting on this agenda item as the property is near her business.

A motion was made by Councilmember Becker, seconded by Councilmember Chahal, to authorize the City Manager to negotiate and execute amendments to the existing leases for the commercial spaces at 1000 Lafayette to extend the term of each lease to May 31, 2024, in final forms approved by the City Attorney.

Aye: 6 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, and Councilmember Becker

Abstained: 1 - Mayor Gillmor

- 2.I [23-475](#) Action on Amendment No. 3 to the Shopping Center Lease Agreement with Colliers International to Lease Space at Rivermark Village for the Police Northside Substation Extending the Term to May 31, 2028

Recommendation: Approve Amendment No. 3 to the Shopping Center Lease Agreement with Colliers International to Lease Space at Rivermark Village for the Police Northside Substation Extending the Term to May 31, 2028

A motion was made by Councilmember Becker, seconded by Councilmember Chahal, to approve Amendment No. 3 to the Shopping Center Lease Agreement with Colliers International to lease space at Rivermark Village for Police Northside Substation extending the term to May 31, 2028.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

- 2.J [23-1247](#) Action to Adopt a Resolution of the City of Santa Clara, California Amending the Administrative Penalty Schedule to Add Penalties for Violations of "The Code of the City of Santa Clara, California" Chapter 8.26 (Edible Food Recovery)

Recommendation: Adopt a Resolution of the City of Santa Clara, California amending the Administrative Penalty Schedule to add penalties for violations of "The Code of the City of Santa Clara, California" Chapter 8.26 (Edible Food Recovery).

A motion was made by Councilmember Becker, seconded by Councilmember Chahal, to adopt Resolution 23-9228 of the City of Santa Clara, California amending the Administrative Penalty to add penalties for violations of "The Code of the City of Santa Clara, California" Chapter 8.26 (Edible Food Recovery).

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

- 2.K [23-103](#) Action on a Resolution Authorizing the Use of City Electric Forces at 1790 Warburton Avenue

Recommendation: Determine the proposed actions are exempt from CEQA pursuant to Sections 15302 (c) and 15303 of Title 14 of the California Code of Regulations and adopt a Resolution authorizing the use of City Electric Forces for work detailed in this Report to Council located at 1790 Warburton Avenue.

A motion was made by Councilmember Becker, seconded by Councilmember Chahal, to determine the proposed actions are exempt from CEQA pursuant to SEctions 15302(c) and 15303 of Title 14 of the California Code of Regulations and adopt Resolution 23-9229 authorizing the use of City Electric Forces for Work detailed in Report to Council located at 1790 Warburton Avenue.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

- 2.L [23-509](#) Action on a Resolution to Certify Compliance with State Housing Laws for Purposes for Participation in the One Bay Area Grant Program

Recommendation: Adopt a Resolution self-certifying compliance with state housing laws for the purpose of receiving an OBAG 3 grant for bicycle and pedestrian improvements in the area surrounding City Hall.

A motion was made by Councilmember Becker, seconded by Councilmember Chahal, to adopt Resolution 23-9230 self-certifying compliance with state housing laws for the purpose of receiving an OBAG 3 grant for bicycle and pedestrian improvements in the area surrounding City Hall.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

- 2.M [23-498](#) Action on a Special Permit for a Private Concert Event at Stevens Stadium on the Santa Clara University Campus (CEQA: Class 23 Categorical Exemption - Normal Operations of Facilities for Public Gatherings)

Recommendation: 1. Approve the use of a Class 23 Categorical Exemption, and
2. Approve the Special Permit to allow a private concert event at Stevens Stadium on the Santa Clara University Campus, subject to conditions.

A motion was made by Councilmember Becker, seconded by Councilmember Chahal, to approve the use of a Class 23 Categorical Exemption; and to approve the Special Permit to allow a private concert event at Stevens Stadium on the Santa Clara University Campus, subject to conditions.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

- 2.N [23-636](#) Action to Approve Modifications to Existing Code Enforcement Technician (Job Code 329) Class Specification

Recommendation: Approve modifications to existing Code Enforcement Technician (Job Code 329) class specification.

A motion was made by Councilmember Becker, seconded by Councilmember Chahal, to approve modifications to existing Code Enforcement Technician (Job Code 329) class specification.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

2.O [23-480](#)

Memorandum of Understanding Among Local Public Agencies in Santa Clara County for Food Recovery Program Costs

- Recommendation:**
1. Approve and authorize the City Manager to execute the Memorandum of Understanding Among Local Public Agencies in Santa Clara County for Food Recovery Program Costs for FY 2023/24 in substantially the form presented, and in a final form approved by the City Attorney;
 2. Authorize the City Manager to execute a subsequent MOU to fund food recovery program costs from FY 2024/25 through FY 2029/30 with the same funding structure as the FY 2023/24 MOU in final forms approved by the City Attorney; and
 3. Authorize the City Manager to execute future amendments to the FY 2024/25 - FY 2029/30 food recovery program cost MOU which update annual costs on a per generator basis and minor changes to the base and infrastructure enhancements program in final forms approved by the City Attorney.

A motion was made by Councilmember Becker, seconded by Councilmember Chahal, to approve and authorize the City Manager to execute the Memorandum of Understanding among local public agencies in Santa Clara County for food recovery program costs for FY2023/24 in substantially the form presented, and in a final form approved by the City Attorney; to authorize the City Manager to execute a subsequent MOU to fund food recovery program costs from FY2024/25 through FY 2029/30 with the same funding structure as the FY 2023/24 MOU in final forms approved by the City Attorney; and to authorize the City Manager to execute future amendments to the FY 2024/25 - FY 2029/30 food recovery program cost MOU which update annual costs on a per generator basis and minor changes to the base and infrastructure enhancements program in final forms approved by the City Attorney.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

- 2.Q** [23-667](#) Action to Declare Upcoming Bicycle and Pedestrian Advisory Committee Vacancies and Setting Dates for Recruitment and Interviews

Recommendation: 1. Declare three (3) vacancies for the BPAC effective June 30, 2023;
2. Open recruitment for such three (3) vacancies on May 24, 2023 for a four-year term expiring June 30, 2027;
3. Set the application deadline on June 26, 2023 at 5:00 p.m.; and
4. Set interviews on or around July 17, 2023.

A motion was made by Councilmember Becker, seconded by Councilmember Chahal, to declare three vacancies for the Bicycle and Pedestrian Advisory Committee effective June 30, 2023; to open recruitment for such three vacancies

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

- 2.R** [23-686](#) Action to Waive Second Reading and Adopt Ordinance No. 2061 amending Zoning Code Section 18.60.050 to Permit Fuel Cells and Photovoltaic Panels as an Allowable Use without Need for a Use Permit, as well as Require Other Electric Power Plants to Adhere to State of California Emissions Requirements in MP - Planned Industrial, ML - Light Industrial, MH - Heavy Industrial, B - Public, Quasi-Public, and Public Park or Recreation, and PD - Planned Development Zoning Districts

Recommendation: Waive Second Reading and Adopt Ordinance No. 2061 amending Zoning Code Section 18.60.050 to Permit Fuel Cells and Photovoltaic Panels as an Allowable Use without Need for a Use Permit, as well as Require Other Electric Power Plants to Adhere to State of California Emissions Requirements in MP - Planned Industrial, ML - Light Industrial, MH - Heavy Industrial, B - Public, Quasi-Public, and Public Park or Recreation, and PD - Planned Development Zoning Districts

A motion was made by Councilmember Becker, seconded by Councilmember Chahal, to waive the second reading and adopt Ordinance No. 2061 amending Zoning Code Section 18.60.050 to permit fuel cells and photovoltaic panels as an allowable use without need for a Use Permit, as well as require other electric power plants to adhere to State of California emissions requirements in MP - Planned Industrial, ML - Light Industrial, MH - Heavy Industrial, B - Public, Quasi-Public, and Public Park or Recreation, and PD - Planned Development Zoning Districts.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

SANTA CLARA STADIUM AUTHORITY CONSENT CALENDAR

- 3.A** [23-491](#) Action on Stadium Authority Bills and Claims for the Month of March 2023

Recommendation: Approve the list of Stadium Authority Bills and Claims for March 2023.

A motion was made by Boardmember Becker, seconded Boardmember Chahal, to approve the list of Stadium Authority Bills and Claims for March 2023.

Aye: 7 - Boardmember Watanabe, Boardmember Chahal, Boardmember Hardy, Vice Chair Park, Boardmember Jain, Boardmember Becker, and Chair Gillmor

- 3.B** [23-639](#) Action on Third Amendment to SBL Website Marketing Agreement with STR Marketplace, LLC

Recommendation: Approve and authorize the Executive Director to execute the Third Amendment to the SBL Website Marketing Agreement with STR to extend the term by four years to May 31, 2027.

A motion was made by Boardmember Becker, seconded by Boardmember Chahal, to approve and authorize the Executive Director to execute the Third Amendment to the SBL Website Marketing Agreement with STR to extend the term by four years to May 31, 2027.

Aye: 7 - Boardmember Watanabe, Boardmember Chahal, Boardmember Hardy, Vice Chair Park, Boardmember Jain, boardmember Becker, and Chair Gillmor

- 3.C** [23-618](#) Informational Report on Stadium Authority and Stadium Manager Meetings for the Period of January 1 to March 31, 2023

Recommendation: Note and file the quarterly report on Stadium Authority and Stadium Manager staff meetings and corresponding summaries for the period of January 1 to March 31, 2023.

A motion was made by Boardmember Becker, seconded by Boardmember Chahal, to note and file the quarterly report on Stadium Authority and Stadium Manager staff meetings and corresponding summaries for the period of January 1 to March 31, 2023.

Aye: 7 - Boardmember Watanabe, Boardmember Chahal, Boardmember Hardy, Vice Chair Park, Boardmember Jain, boardmember Becker, and Chair Gillmor

3.D Action on Request Submitted by Stadium Manager to Execute Agreement with Integrated Communication Systems (ICS) for Fire Alarm Testing, Inspection, Maintenance, and Related Services at Levi's Stadium

- 3.D.1** [23-659](#) Request from Stadium Manager to Execute Agreement with Integrated Communication Systems (ICS) for Fire Alarm Testing, Inspection, Maintenance, and Related Services at Levi's Stadium
- 3.D.2** [23-660](#) Report from the Stadium Authority for Action Regarding Stadium Manager's Request to Execute Agreement with Integrated Communication Systems (ICS) for Fire Alarm Testing, Inspection, Maintenance, and Related Services at Levi's Stadium

Recommendation:

1. Approve the Stadium Manager's request to execute an Agreement with Integrated Communication Systems (ICS) to provide fire alarm testing, inspection, maintenance, and related services at Levi's Stadium for a three-year period beginning June 1, 2023 through March 31, 2026, in an amount not to exceed \$115,000 for the first contract year, \$117,000 for the second contract year, and \$120,000 for the third contract year, for a total not to exceed amount of \$352,000 over the three-year period, subject to budget appropriations; and
2. Authorize Executive Director to approve the Stadium Manager's exercise of the option to extend the agreement with the same basic terms and conditions for two additional one-year periods, subject to budget appropriations.

A motion was made by Boardmember Becker, seconded by Boardmember Chahal, to approve the Stadium Manager's request to execute an agreement with Integrated Communications Systems (ICS) to provide fire alarm testing, inspection, maintenance, and related services at Levi's Stadium for a three-year period beginning June 1, 2023 through March 31, 2026, in an amount not to exceed \$115,000 for the first contract year, \$117,000 for the second contract year, and \$120,000 for the third contract year, for a total not to exceed amount of \$352,000 over the three-year period, subject to budget appropriations; and authorize Executive Director to approve the Stadium Manager's exercise of the option to extend the agreement with the same basic terms and conditions for two additional one-year periods, subject to budget appropriations.

Aye: 7 - Boardmember Watanabe, Boardmember Chahal, Boardmember Hardy, Vice Chair Park, Boardmember Jain, boardmember Becker, and Chair Gillmor

**STADIUM AUTHORITY CONSENT ITEM PULLED FOR DISCUSSION AND DEFERRED FROM
APRIL 4, 2023**

4. Action on Request Submitted by the Stadium Manager for Retroactive Approval of Incurred Expenses for Non-NFL Events-Related Marketing, Networking, Travel, and Entertainment Activities (Deferred from April 4, 2023)

4.A. [23-573](#) Request from the Stadium Manager for Retroactive Approval of Incurred Expenses for Non-NFL Events-Related Marketing, Networking, Travel, and Entertainment Activities (Deferred from April 4, 2023)

4.B. [23-574](#) Report from the Stadium Authority for Action on Stadium Manager's Request for Retroactive Approval of Incurred Expenses for Non-NFL Events-Related Marketing, Networking, Travel, and Entertainment Activities (Deferred from April 4, 2023)

Recommendation: Approve the Stadium Manager's request for retroactive approval of expenses incurred by the Stadium Manager on behalf of the Stadium Authority in the amount of \$39,407 for the FY 2022/23 Non-NFL Events-related marketing, networking, travel, and entertainment activities, including client entertainment with alcohol, described in this report.

A motion was made by Boardmember Becker, seconded by Boardmember Chahal, to approve the Stadium Manager's request for retroactive approval of expenses incurred by the Stadium Manager on behalf of the Stadium Authority in the amount of \$39,407 for the FY 2022/23 non-NFL events-related marketing, networking, travel, and entertainment activities, including client entertainment activities with alcohol, described in this report.

Aye: 5 - Boardmember Chahal, Boardmember Hardy, Vice Chair Park, Boardmember Jain, and Boardmember Becker

Nay: 2 - Boardmember Watanabe, and Chair Gillmor

PUBLIC PRESENTATIONS

[23-753](#)

Public Presentations

Curtis Fischer gave a PowerPoint presentation on the Santa Clara Lawn Bowl.

Kirk Vartan gave a PowerPoint presentation on videos from the October 18, 2022; March 7, 2023; and the November 16, 2022 council meeting and requested **Councilmember Becker** to resign from the City Council.

Steve Kelly thanked City staff and **Councilmembers Jain** and **Hardy** and **Vice Mayor Park** on speaking with him regarding the unhoused people living in the creek near behind his home.

Zoom Participant #6795 requested **Councilmember Becker** to resign from the City Council.

Zoom Participant #6716 requested **Councilmember Becker** to resign from the City Council.

CONSENT ITEMS PULLED FOR DISCUSSION

2.D [23-520](#) Action on the Santa Clara Convention Center FY 2022/23 3rd Quarter Financial Status Report

Recommendation: Note and file the Santa Clara Convention Center Financial Status Report for the 3rd Quarter ending March 31, 2023, as submitted by OVG.

Vice Mayor Park pulled Item 2.D for comment.

A motion was made by Vice Mayor Park, seconded by Councilmember Chahal, to note and file the Santa Clara Convention Center Financial Status Report for the 3rd Quarter ending March 31, 2023.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

2.P [23-622](#) Action on Reappointment of Board and Commission Members to a
Second Term Ending June 30, 2027

- Recommendation:**
1. Reappoint the nine (9) eligible commissioners to serve a four-year term each ending June 30, 2027.
 2. For any Board or Commission member not proposed for reappointment, base such decision on the objective criteria presented by staff, above, and refer to position to the City Clerk for posting, recruitment, interviews and appointment.

Councilmember Becker pulled Item 2.P for discussion.

Public Speakers:

Kelly Cox, Chair of the Parks and Recreation Commission.

Kirk Vartan

Mark Kelsey

A motion was made by Councilmember Becker, seconded by Councilmember Hardy, to re-appoint eight of the eligible Boards and Commission incumbents with the exception of Parks and Recreation Commissioner Burt Field.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

A motion was made by Councilmember Becker not to re-appoint Burt Field to the Parks and Recreation Commission. Motion failed due to lack of second.

A motion was made by Councilmember Watanabe, seconded by Mayor Gillmor, to appoint Burt Field to the Parks and Recreation Commission.

Aye: 3 - Councilmember Watanabe, Councilmember Jain, and Mayor Gillmor

Nay: 3 - Councilmember Hardy, Vice Mayor Park, and Councilmember Becker

Abstained: 1 - Councilmember Chahal

Motion fails.

PUBLIC HEARING/GENERAL BUSINESS

5. [23-249](#) Approve the Annual Military Equipment Report, and Adopt a Resolution Making Required Findings and Renewing Santa Clara City Code Section 2.80.080, Allowing for the Continued Use of the Military Equipment Funding, Acquisition and Use Policy Pursuant to Assembly Bill 481

Recommendation:

Approve the Annual Military Equipment Report, and Adopt a Resolution Making Required Findings and Renewing Santa Clara City Code Section 2.80.080, Allowing for the Continued Use of the Military Equipment Funding, Acquisition and Use Policy Pursuant to Assembly Bill 481

Police Chief Nikolai gave a Powerpoint Presentation.

Council comments and questions followed.

eComment:
Diane Harrison

A motion was made by Councilmember Becker, seconded by Councilmember Hardy, to approve the Annual Military Equipment Report, and adopt Resolution 23-9231 marking required findings and renewing Santa Clara City Code Section 2.80.080, allowing for the continued use of Military Equipment Funding, Acquisition and Use Policy pursuant to Assembly Bill 481.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

WRITTEN PETITION (COUNCIL POLICY 030) SUBMITTED BY THE PUBLIC/COUNCIL

9. [23-603](#) Action on a Written Petition (Council Policy 030), Submitted by Mary Grizzle Requesting to Place an Agenda Item on a Future Council Meeting for Council to Discuss Santa Clara Civic Center Relocation Study Flaw: Change Two of the Study's Focus Cities

Recommendation: Staff makes no recommendation.

Mayor Gillmor recused herself from this discussion and vote due to a potential conflict of interest. **Vice Mayor Park** chaired this discussion.

Mary Grizzle spoke on her Written Petition requesting to place an agenda item on a future Council meeting for Council to discuss Santa Clara Civic Center Relocation Study Flaw: Change of Two of the Study's Focus Cities.

Council comments and questions followed.

Public Comment:
Dan Ondrasek

A motion was made by Councilmember Becker, seconded by Councilmember Chahal, to place this Item on a future Council meeting agenda.

Aye: 6 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, and Councilmember Becker

Recused: 1 - Mayor Gillmor

Vice Mayor Park called for a recess at 9:06 p.m.

Mayor Gillmor reconvened the meeting at 9:16 p.m.

Mayor Gillmor clarified that Items 4.A and 4B was included in the vote for Consent Calendar items with "no" votes from both **Mayor Gillmor** and **Councilmember Watanabe**.

PUBLIC HEARING/GENERAL BUSINESS

6. [23-173](#) Public Hearing: Adoption of a Resolution Setting Rates for Overall Solid Waste Services and Annual Clean-up Campaign in the Exclusive Franchise Area

Recommendation: Alternative 1: Adopt a Resolution setting the overall rates to be charged to rate payers for the collection and disposal of garbage, refuse, yard trimmings, recycling, and annual Clean-up Campaign in the exclusive franchise area, effective for the utility bills issued for services rendered on and after July 1, 2023.

City Manager Grogan made a few remarks and introduced **Public Works Director Mobeck** who gave a PowerPoint presentation on setting rates for overall solid waste services and Annual Clean-Up campaign in the exclusive franchise area.

Council comments and questions followed.

Public Comment:
Kirk Vartan

Assistant City Clerk Pimentel tallied the Written Protests received and read into the record that there were 14 Written Protests submitted and stated there was an insufficient number of Written Protests to constitute a majority protest under Proposition 218.

Public Works Director Mobeck responded to additional **Council** questions and concerns.

Council discussion continued.

City Manager Grogan made remarks about a discussion on Proposition 218 and recommended that a policy discussion take place during Council Priority Setting.

A motion was made by Councilmember Becker, seconded by Councilmember Chahal, to close the Public Hearing.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

A motion was made by Councilmember Jain, seconded by Councilmember Hardy, to adopt Resolution 23-9232 setting the overall rates to be charged to rate payers for the collection and disposal of garbage, refuse, yard trimmings, recycling, and annual Clean-Up Campaign in the exclusive franchise area, effective for the utility bills issued for services rendered on and after July 1, 2023.

Aye: 4 - Councilmember Watanabe, Councilmember Hardy, Councilmember Jain, and Mayor Gillmor

Nay: 3 - Councilmember Chahal, Vice Mayor Park, and Councilmember Becker

7. [23-479](#) Public Hearing: Action on a Resolution Amending Rate Schedules for Electric Services for All Classes of Customers, Effective July 1, 2023

Recommendation: Adopt a Resolution amending City Rate Schedules for Electric Utility Services to increase Electric Rates and Charges in each Rate Schedule by 5.0%, effective July 1, 2023.

City Manager Grogan made a few opening remarks and introduced **Chief Electric Utilities Officer Pineda** who gave a PowerPoint presentation on amending the rate schedules for electric utility services for all classes of customers.

Council comments and questions followed.

Chief Electric Utilities Officer Pineda responded to **Council** questions.

Public Comment:

Kirk Vartan (4 minutes - Marguerite Lee gave time)

John Haggerty

Edward Strine

Silicon Valley Power Director Pineda addressed additional concerns.

A motion was made by Councilmember Becker, seconded by Councilmember Hardy, to close the Public Hearing.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

A motion was made by Councilmember Becker, seconded by Councilmember Hardy, to adopt Resolution 23-9233 amending City rate schedules for electric utility services to increase electric rates and charges in each rate schedule by 5.0% effective July 1, 2023 and direct staff to explore a rebate program for small businesses (C1 customers) and report back to Council.

Aye: 7 - Councilmember Watanabe, Councilmember Chahal, Councilmember Hardy, Vice Mayor Park, Councilmember Jain, Councilmember Becker, and Mayor Gillmor

SANTA CLARA STADIUM AUTHORITY GENERAL BUSINESS

8. [23-680](#) Report on Status of Obtaining FIFA World Cup 2026 Documents at Levi's Stadium and Potential Action on Terms for an Information Sharing Agreement and Guiding Principles for FIFA World Cup 2026 Events

Recommendation: 1. Adopt the Santa Clara City Council Guiding Principles for World Cup 2026; and
2. Direct the City Manager/Executive Director and City Attorney/Stadium Authority Counsel to negotiate and execute an Information Sharing and Event Cooperation Agreement with Bay Area Host Committee, United States Soccer Federation, Federation Internationale de Football Association, and Forty Niners Stadium Management Company LLC to facilitate the sharing of information on substantially the terms presented, in a final form approved by the City Attorney.

City Manager/Executive Director Grogan and City Attorney/Stadium Authority Counsel Googins gave a PowerPoint presentation on the status of obtaining the FIFA World Cup 2026 documents from Levi's Stadium and provided an overview of potential action on terms for an Information Sharing Agreement and Guiding Principles for the 2026 FIFA World Cup events.

Council/Board comments and questions followed.

A motion was made by Council/Boardmember Becker, seconded by Council/Boardmember Hardy, to approve staff recommendation and include a clause to attain reimbursement of all event costs including public safety (pre and post event cost) to Guiding Principle No. 2.

Council/Board discussion ensued.

A substitute motion was made by Mayo/Chair Gillmor, seconded by Council/Boardmember Watanabe, to approve staff recommendation and include in Guiding Principle No. 2 a clause to attain reimbursement of all event costs including public safety (pre and post event cost) and a new Guiding Principle No. 9 to pledge that the Santa Clara City Council, Stadium Authority Board, and City staff will follow the law, act ethically and transparently with the expectation that other parties do the same.

Public Comment:
Kirk Vartan
John K. Haggerty
Edward Strine

City Manager/Executive Director Grogan and City Attorney/Stadium

Authority Counsel Googins responded to **Board** questions.

A motion was made by /Mayor Chair Gillmor, seconded by Council/Boardmember Watanabe, to accept the substitute motion.

Aye: 4 - Council/Boardmember Watanabe, Council/Boardmember Chahal, Mayor/Boardmember Jain, and Mayor/Chair Gillmor

Nay: 3 - Council/Boardmember Hardy, Vice Mayor/Chair Park, and Council/Boardmember Becker

A substitute motion was made by Mayor/Chair Gillmor, seconded by Council/Boardmember Watanabe, to adopt the Santa Clara City Council Guiding Principles for World Cup 2026; to direct the City Manager/Executive Director and City Attorney/Stadium Authority Counsel to negotiate and execute an Information Sharing and Event Cooperation Agreement with Bay Area Host Committee, United Stated Soccer Federation, Federation Internationale de Football Association, and Forty Niners Stadium Management Company LLC to facilitate the sharing of information on substantially the terms presented, in a final form approved by the City Attorney; and include in Guiding Principle No. 2 a clause to attain reimbursement of all event costs including public safety (pre- and post- event cost) and a new Guiding Principle No. 9 to pledge that the Santa Clara City Council, Stadium Authority Board, and City staff will follow the law, act ethically and transparently with the expectation that other parties do the same.

Aye: 6 - Council/Boardmember Watanabe, Council/Boardmember Chahal, council/Boardmember Hardy, Council/Boardmember Jain, Council/Boardmember Becker, and Mayo/Chair Gillmor

Nay: 1 - Vice Mayor/ Chair Park

REPORTS OF MEMBERS AND SPECIAL COMMITTEES

Vice Mayor Park reported that he attended the Silicon Valley Office of Protocol Spring reception.

CITY MANAGER/EXECUTIVE DIRECTOR REPORT

There were none.

[23-391](#)

Update on City Council and Stadium Authority Staff Referrals

[23-605](#)

Tentative Meeting Agenda Calendar (TMAC)

ADJOURNMENT

A motion was made by Council/Boardmember Hardy, seconded by Council/Boaurdmember Becker, to adjourn the meeting at 1:37 a.m. in memory of Kenneth Park, father of Vice Mayor/Chair Kevin Park.

Aye: 7 - Council/Boardmember Watanabe, Council/Boardmember Chahal, Council/Boardmember Hardy, Vice Mayor/Chair Park, Council/Boardmember Jain, Council/Boardmember Becker, and Mayor/Chair Gillmor

The next regular scheduled meeting is on Tuesday, June 6, 2023 in the City Hall Council Chambers.

MEETING DISCLOSURES

The time limit within which to commence any lawsuit or legal challenge to any quasi-adjudicative decision made by the City is governed by Section 1094.6 of the Code of Civil Procedure, unless a shorter limitation period is specified by any other provision. Under Section 1094.6, any lawsuit or legal challenge to any quasi-adjudicative decision made by the City must be filed no later than the 90th day following the date on which such decision becomes final. Any lawsuit or legal challenge, which is not filed within that 90-day period, will be barred. If a person wishes to challenge the nature of the above section in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City of Santa Clara, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

STREAMING SERVICES: As always, the public may view the meetings on SantaClaraCA.gov, Santa Clara City Television (Comcast cable channel 15 or AT&T U-verse channel 99), or the livestream on the City's YouTube channel or Facebook page.

Note: The public cannot participate in the meeting through these livestreaming methods; livestreaming capabilities may be disrupted at times, viewers may always view and participate in meetings in-person and via Zoom as noted on the agenda.

AB23 ANNOUNCEMENT: Members of the Santa Clara Stadium Authority, Sports and Open Space Authority and Housing Authority are entitled to receive \$30 for each attended meeting.

Note: The City Council and its associated Authorities meet as separate agencies but in a concurrent manner. Actions taken should be considered actions of only the identified policy body.

LEGEND: City Council (CC); Stadium Authority (SA); Sports and Open Space Authority (SOSA); Housing Authority (HA); Successor Agency to the City of Santa Clara Redevelopment Agency (SARDA); Bayshore North Project Enhancement Authority (BNPEA); Public Facilities Financing Corporation (PFFC)

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

If a member of the public submits a speaker card for any agenda items, their name will appear in the Minutes. If no speaker card is submitted, the Minutes will reflect "Public Speaker."

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the City of Santa Clara will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. The City of Santa Clara will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in the City's programs, services, and activities. The City of Santa Clara will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all of its programs, services, and activities.

Agendas and other written materials distributed during a public meeting that are public record will be made available by the City in an appropriate alternative format. Contact the City Clerk's Office at 1 408-615-2220 with your request for an alternative format copy of the agenda or other written materials.

Individuals who require an auxiliary aid or service for effective communication, or any other disability-related modification of policies or procedures, or other accommodation, in order to participate in a program, service, or activity of the City of Santa Clara, should contact the City's ADA Coordinator at 408-615-3000 as soon as possible but no later than 48 hours before the scheduled event.



City of Santa Clara

1500 Warburton Avenue
Santa Clara, CA 95050
santaclaraca.gov
[@SantaClaraCity](https://twitter.com/SantaClaraCity)

Agenda Report

23-15

Agenda Date: 6/27/2023

REPORT TO COUNCIL

SUBJECT

Board, Commissions and Committee Minutes

COUNCIL PILLAR

Enhance Community Engagement and Transparency

RECOMMENDATION

Note and file the Minutes of:

Board of Library Trustees Minutes - April 3, 2023 Minutes - Draft

Cultural Commission - May 1, 2023



City of Santa Clara

Meeting Minutes

Board of Library Trustees

04/03/2023

6:00 PM

Hybrid Meeting Central Park Library Edinger Room
2635 Homestead Rd Santa Clara, CA 95051

The City of Santa Clara is conducting the Board of Library Trustees meeting in a hybrid manner (in-person and continues to have methods for the public to participate remotely).

- Via Zoom:
 - o <https://santaclaraca.gov.zoom.us/j/85864257230>

Meeting ID: 858 6425 7230 or

- o Phone: 1(669) 900-6833

PUBLIC PARTICIPATION IN ZOOM WEBINAR: Please follow the guidelines below when participating in a Zoom Webinar:

- The meeting will be recorded so you must choose 'continue' to accept and stay in the meeting.
- If there is an option to change the phone number to your name when you enter the meeting, please do so as your name will be visible online and will be used to notify you that it is your turn to speak.
- Mute all other audio before speaking. Using multiple devices can cause an audio feedback.
- Use the raise your hand feature in Zoom when you would like to speak on an item and lower when finished speaking. Press *9 to raise your hand if you are calling in by phone only.
- Identify yourself by name before speaking on an item.
- Unmute when called on to speak and mute when done speaking. If there is background noise coming from a participant, they will be muted by the host. Press *6 if you are participating by phone to unmute.
- If you no longer wish to stay in the meeting once your item has been heard, please exit the meeting.

CALL TO ORDER AND ROLL CALL

Chair Evans called the meeting to order at 6:01 PM.

Vice Chair Hintermeister attended the meeting via Zoom virtually, under the Just Cause clause of AB 2449 due to illness.

Present 4 - Trustee Debbie Tryforos, Vice Chair Jan Hintermeister, Trustee Stephen Ricossa, and Chair Jonathon Evans

Excused 1 - Trustee Leonne Broughman

CONSENT CALENDAR

Consent Items Pulled for Discussion

Chair Evans pulled Consent Calendar for discussion. He informed the **Board** that the Minutes of **Board of Library Trustees** meetings do not reflect all the details of **Board** discussion, but are Action Minutes. The **Board** was informed that motions will be captured verbatim, and should clearly capture the intent of the motion. **Board** discussion was held on ensuring motions are clear and complete.

[23-441](#)

Action on the Special Meeting Minutes of January 26, 2023

Recommendation: Approve Special Meeting Minutes of January 26, 2023

A motion was made by Trustee Ricossa, seconded by Trustee Tryforos, to approve Consent Calendar as a whole.

Aye: 4 - Trustee Tryforos, Vice Chair Hintermeister, Trustee Ricossa, and Chair Evans

Excused: 1 - Trustee Broughman

[23-442](#)

Action on the Special Meeting Minutes of February 16, 2023

Recommendation: Approve Special Meeting Minutes of February 16, 2023

A motion was made by Trustee Ricossa, seconded by Trustee Tryforos, to approve Consent Calendar as a whole.

Aye: 4 - Trustee Tryforos, Vice Chair Hintermeister, Trustee Ricossa, and Chair Evans

Excused: 1 - Trustee Broughman

[23-443](#)

Action on the Meeting Minutes of March 6, 2023

Recommendation: Approve Meeting Minutes of March 6, 2023

A motion was made by Trustee Ricossa, seconded by Trustee Tryforos, to approve Consent Calendar as a whole.

Aye: 4 - Trustee Tryforos, Vice Chair Hintermeister, Trustee Ricossa, and Chair Evans

Excused: 1 - Trustee Broughman

PUBLIC PRESENTATIONS

GENERAL BUSINESS[23-463](#)

National Library Week for April 23-29, 2023

Board held discussion on the Proclamation of National Library Week, scheduled for the April 18, 2023 **City Council** meeting. **Board** reviewed the Proclamation draft and discussed content for verbal presentation to **Council**.

A motion was made by Trustee Tryforos, seconded by Trustee Ricossa, to affirm that the Board would like to appoint Chair Evans to represent the Board of Library Trustees at the City Council meeting of 4/18/2023, to join the City Librarian in receiving the Proclamation to recognize National Library Week, and to speak to the benefit the Santa Clara City Library brings to the community.

Aye: 4 - Trustee Tryforos, Vice Chair Hintermeister, Trustee Ricossa, and Chair Evans

Excused: 1 - Trustee Broughman

[23-465](#)

Review and Approve Proposed 2023 Board of Library Trustees Work Plan

Recommendation: Approve proposed Board of Library Trustees Work Plan 2023

Board reviewed work plan for 2023, and amended work plan with addition of sixth item.

A motion was made by Trustee Tryforos, seconded by Trustee Ricossa, to approve the Board of Library Trustees work plan draft 4, dated 4/3/2023, to submit to City Council for their approval. The motion was amended to include the work plan as a standing item on the Board of Library Trustees monthly agenda.

Aye: 4 - Trustee Tryforos, Vice Chair Hintermeister, Trustee Ricossa, and Chair Evans

Excused: 1 - Trustee Broughman

STAFF REPORT

City Librarian Wong informed the **Board** of two grants obtained by the Library, the Kaiser 'Healthy Me, Healthy You' grant supporting nutrition and healthy diet, and the 'Pop-Up Libraries Lunch at the Library' grant promoting Library services at existing free-meal sites in Santa Clara. **City Librarian Wong** informed the **Board** that the budget projections for the Library were much more favorable, that the budget would be determined by **City Council** vote, and provided information on upcoming **City Council** and budget study session dates. The **Board** was updated on the Strategic Planning schedule and engaged to help identify focus groups in the community. **City Librarian Wong** updated the **Board** on open recruitments and an upcoming all staff meeting.

TRUSTEES REPORT

Board provided reminder of upcoming Librarypalooza event. **Board** requested the data collected at the **Board** kick-off meeting for the Strategic Plan to assist them in Strategic Planning activities. **City Librarian Wong** informed the **Board** that information would be available later in the Strategic Planning process. **Board** inquired about non-functional electric vehicle charging stations at the Library. **City Librarian Wong** informed the **Board** of active discussions with **Silicon Valley Power** to provide new electric vehicle charging stations at the Library.

ADJOURNMENT

The meeting was adjourned at 8:05 PM.

A motion was made by Trustee Tryforos, seconded by Trustee Ricossa to adjourn the meeting.

Aye: 4 - Trustee Tryforos, Vice Chair Hintermeister, Trustee Ricossa, and Chair Evans

Excused: 1 - Trustee Broughman

The Board of Library Trustees Meeting is adjourned to May 1, 2023, at 6:00 PM.

MEETING DISCLOSURES

The time limit within which to commence any lawsuit or legal challenge to any quasi-adjudicative decision made by the City is governed by Section 1094.6 of the Code of Civil Procedure, unless a shorter limitation period is specified by any other provision. Under Section 1094.6, any lawsuit or legal challenge to any quasi-adjudicative decision made by the City must be filed no later than the 90th day following the date on which such decision becomes final. Any lawsuit or legal challenge, which is not filed within that 90-day period, will be barred. If a person wishes to challenge the nature of the above section in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City of Santa Clara, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

If a member of the public submits a speaker card for any agenda items, their name will appear in the Minutes. If no speaker card is submitted, the Minutes will reflect "Public Speaker."

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the City of Santa Clara will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. The City of Santa Clara will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in the City's programs, services, and activities. The City of Santa Clara will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all of its programs, services, and activities.

Agendas and other written materials distributed during a public meeting that are public record will be made available by the City in an appropriate alternative format. Contact the City Clerk's Office at 1 408-615-2220 with your request for an alternative format copy of the agenda or other written materials.

Individuals who require an auxiliary aid or service for effective communication, or any other disability-related modification of policies or procedures, or other accommodation, in order to participate in a program, service, or activity of the City of Santa Clara, should contact the City's ADA Coordinator at 408-615-3000 as soon as possible but no later than 48 hours before the scheduled event.



City of Santa Clara

Meeting Minutes Cultural Commission

05/01/2023

7:00 PM

Hybrid Meeting
City Manager's Conf. Room
City Hall - East Wing
1500 Warburton Avenue
Santa Clara, CA 95050

The City of Santa Clara is conducting the Cultural Commission meeting in a hybrid manner (in-person and a method for the public to participate remotely).

Via Zoom:

<https://santaclaraca.zoom.us/j/98272283531>

Meeting ID: 982 7228 3531

Or join by phone: 669-900-6833

CALL TO ORDER AND ROLL CALL

Chair Diaz called the meeting to order at 7:04 p.m.

Present 5 - Commissioner Siddarth Sundaram, Commissioner Debra von Huene, Chair Candida Diaz, Commissioner Jonathan Marinaro, and Commissioner Paul McNamara

Absent 1 - Vice Chair Louis Samara

CONSENT CALENDAR

1.A [23-536](#) Cultural Commission Regular Meeting Minutes of May 1, 2023

Recommendation: Approve the Cultural Commission Regular Meeting Minutes of May 1, 2023

A motion was made by Commissioner von Huene, seconded by Commissioner Marinaro, that this item be approved. The motion passed with the following vote:

Aye: 5 - Commissioner Sundaram, Commissioner von Huene, Chair Diaz, Commissioner Marinaro, and Commissioner McNamara

Absent: 1 - Vice Chair Samara

PUBLIC PRESENTATIONS

A member of the public and Parks & Recreation Commissioner, Eversley Forte, provided a brief update for the Multi-Cultural Market event, which will be a joint effort of the Parks & Recreation and Cultural Commissions. The target date is a Friday evening in August, 2024, as part of the Friday Night Live series. The focus would be on the Korean community. There would be 2 bands, food booths and activities. Commissioner Samara will follow up with additional details.

GENERAL BUSINESS

2. [23-538](#) Discussion of Cultural Commission Work Plan Goals and Activities for FY 2022/23 and FY 2023/24

Recommendation: Provide updates to Cultural Commission Work Plan goals and activities for FY 2022/23 and FY 2023/24.

Goal #1. Host and enhance multicultural events to encourage and acquaint Santa Clara residents with cultural diversity:

Summer Concerts in the Park-

Commissioner Sundaram reported a Bollywood themed concert will be considered for an idea for next year. The Fog City Swampers are confirmed for June 23 at Live Oak Park.

Commissioner Samara will send a sign up sheet for the concerts. At least two (2) commissioners should attend each concert.

Patelco is a confirmed sponsor for the Concerts in the Park.

Street Dance-Pop Rocks, Aug. 4

Fliers should be delivered to businesses at least two (2) weeks in advance (July 24). Commissioners should arrive by 4 p.m.

Commissioners will check with businesses for additional sponsors.

Goal #2. Develop and encourage interactive art opportunities to provide temporary, performing, cultural, and public art in the City:

Public Art:

Commissioner von Huene reported that the installment of the mechanical horse at Santa Clara University, STEM building, is targeted for the Fall.

Recreation Manager, Castro and Chair, Diaz met with Connie Martinez, CEO of Silicon Valley Creates (SV Creates). Information will be gathered on the South Bay Collective, and commissioners may attend their monthly meetings, but the commission will not move forward with the MOU for this project for this year.

Utility Boxes: Will wait for a Call for Artists until after the art installation has been secured.

Home Decorating Contests: Contests are complete. No action required.

Google Map: Chair Diaz will continue updating the map with the completed Utility Boxes.

Goal #3. Raise the visibility of commemorative month celebrations:

Coloring Book Project- Chair Diaz reported the agreement for artist, Giada Conte is in progress and the new commemorative month pages will roll out in June. The months recognized will be in alignment with the recognized City holidays and incorporate days/themes into the artwork.

Commissioner von Huene will post the May coloring page on social media.

Goal #4. Enhance communication and media strategy to increase community awareness of the Cultural Commission:

The Commission discussed allocating additional resources to marketing, advertising and outreach. The Commission would like to increase visibility through social media and marketing for events. The possibility of ads and print media was discussed.

Goal #5. Prepare for Citywide Arts Master Plan Process:

There was a discussion on SV Creates and their involvement with the Arts Master Plan. **Commissioners von Huene and McNamara** spoke to City Managers office and they can't provide information at this time. The sub-committee has been working on the draft so when the City Council is ready to move forward, the Commission will be prepared.

Patrick Henry Art Center-The contract will be presented to City Council on May 23. Outreach will start soon after. They will have a booth at the 4th of July All City Picnic.

3. [23-537](#) Discussion and Development of Cultural Commission Work Plan Goals and Activities for FY 2023/24

Recommendation: Develop and recommend Cultural Commission work plan goals and activities for FY 2023/24.

Commissioners discussed the current goals (listed below) and made recommendations for FY 2023/24.

Goal #1. Host and enhance multicultural events to encourage and acquaint Santa Clara residents with cultural diversity:

The Commission discussed adding Friday Night Live to this Goal. They would like to research options to host Friday night Live at the Triton, as they had in the past.

Goal #2. Develop and encourage interactive art opportunities to provide temporary, performing, cultural, and public art in the City:

The Commission would like to continue the Holiday and Halloween Home Decorating Contests and would like them to be listed as one line item. They would like to continue the Utility Box Art Program. They suggested adding an indoor Sculpture Exhibition at City Hall or one of the City libraries.

Goal #3. Raise the visibility of commemorative month celebrations:

The Commission had no recommended changes to this goal.

Goal #4. Enhance communication and media strategy to increase community awareness of the Cultural Commission: The Commission had no recommended changes to this goal and would like to continue marketing all events to the citizens.

Goal #5. Prepare for Citywide Arts Master Plan Process: In addition to the current objectives, **Commissioner McNamara** would like to include art education. He will develop a proposal to present at the next meeting.

STAFF REPORT

Recreation Manager Castro reported the following items:

The Health and Wellness Fair is scheduled for May 19 from 11 a.m.-2 p.m. in Fremont Park, adjacent to the Senior Center. There will be nearly 50 exhibitors providing health and wellness information and resources for Caregivers and seniors.

Construction began for Magical Bridge in Central Park. Groundbreaking is scheduled for May 19 at 3 p.m.

Images and content is being developed for the concerts and the Street Dance. Fliers will need to go out to inform the public and establishments.

COMMISSIONERS REPORT

Commissioner von Huene attended *Natasha, Pierre, and the Great Comet* at the SJ Playhouse. It was a musical based on 70 pages of *War and Peace*. She also attended Michaelangelo's Sistine Chapel Exhibition at Oakridge Mall. She was inspired and recommended all to attend.

She will be in Hawaii during the June meeting. She would like to call in for the meeting.

Commissioner Sundaram may be traveling during the June meeting. He will inform the commission of his attendance. He also attended Jon Pardi in Berkely, as he is a country fan.

Commissioner Marinaro attended *Tosca* through San Jose Opera. He recommended the commission attend the 2023/2024 season. He also attended the *They Might be Giants Concert*.

Commissioner McNamara has been enjoying watching old movies: 100 years of Warner Brothers.

ADJOURNMENT

A motion was made by Commissioner McNamara, seconded by Commissioner Sundaram that the meeting be adjourned at 8:19 p.m. The motion passed with the following vote:

Aye: 5 - Commissioner Sundaram, Commissioner von Huene, Chair Diaz, Commissioner Marinaro, and Commissioner McNamara

Absent: 1 - Vice Chair Samara

MEETING DISCLOSURES

The time limit within which to commence any lawsuit or legal challenge to any quasi-adjudicative decision made by the City is governed by Section 1094.6 of the Code of Civil Procedure, unless a shorter limitation period is specified by any other provision. Under Section 1094.6, any lawsuit or legal challenge to any quasi-adjudicative decision made by the City must be filed no later than the 90th day following the date on which such decision becomes final. Any lawsuit or legal challenge, which is not filed within that 90-day period, will be barred. If a person wishes to challenge the nature of the above section in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City of Santa Clara, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

If a member of the public submits a speaker card for any agenda items, their name will appear in the Minutes. If no speaker card is submitted, the Minutes will reflect "Public Speaker."

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the City of Santa Clara will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. The City of Santa Clara will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in the City's programs, services, and activities. The City of Santa Clara will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all of its programs, services, and activities.

Agendas and other written materials distributed during a public meeting that are public record will be made available by the City in an appropriate alternative format. Contact the City Clerk's Office at 1 408-615-2220 with your request for an alternative format copy of the agenda or other written materials.

Individuals who require an auxiliary aid or service for effective communication, or any other disability-related modification of policies or procedures, or other accommodation, in order to participate in a program, service, or activity of the City of Santa Clara, should contact the City's ADA Coordinator at 408-615-3000 as soon as possible but no later than 48 hours before the scheduled event.



Agenda Report

23-727

Agenda Date: 6/27/2023

REPORT TO COUNCIL

SUBJECT

Action on Monthly Financial Status and Investment Reports for April 2023 and Approve the Related Budget Amendments

COUNCIL PILLAR

Enhance Community Engagement and Transparency

BACKGROUND

In compliance with the Charter of the City of Santa Clara and the adopted Investment Policy, the monthly financial report and monthly investment report for April 2023 are submitted for your information. The financial reviews as of April 30, 2023 provide a year-to-date financial update to the City Council for the current fiscal year. The analysis of the revenues collected and all expenditures measures the level of adherence to the annual budget and allows the City to monitor and project revenues and expenditures throughout the year.

The Adopted Budget incorporates the estimated revenues and planned expenditures for all funds. The attached Financial Status Report provides the budget to actual revenue and expenditure summaries for the General Fund, Special Revenue Funds and Enterprise Operating Funds, as well as expenditure summary for Capital Improvement Funds and Fund Reserve Balances. Any significant variances are explained in the report.

In accordance with City Council Policy 051 - Donations to the City, included in this report is a monthly activity and annual summary of donations received by department. Although the requirement of the policy is to report quarterly, in its ongoing effort to streamline reporting, the City includes this information monthly in the financial status report.

DISCUSSION

Monthly Financial Status Report (Attachment 1)

The attached reports summarize the City's financial performance as of April 30, 2023. Financial analysis is provided for the General Fund, select Special Revenue Funds, Enterprise Operating Funds, and Capital Improvement Funds.

Attachment 1 shows that General Fund revenues (excluding transfers) were at 87.5% of the budget through April 2023. General Fund revenues are currently tracking to end the year above the budgeted estimate due to strong performance in a number of categories, including transient occupancy tax, use of money and property, transfers from City utilities, and miscellaneous revenues.

As shown in Attachment 1, General Fund departmental expenditures were at 76% of budget through

April 2023. This reflects savings from vacant positions as well as savings generated from cost-control measures that were implemented in FY 2019/20. Expenditures are expected to end the year below budget.

As shown in Attachment 1, total revenues for Enterprise Funds (Electric, Water, Sewer, Cemetery, Solid Waste, and Water Recycling) were at 78.4% of the budget through April 30, 2023, while total expenses were at 77.3%. Budget actions are recommended in this report to address higher expenditures in the Electric Utility Fund. Expenditures in this fund are tracking to end the year above budget due higher power purchase and production costs, which are driven by the spikes in natural gas prices. It is anticipated that higher revenues will partially offset these higher costs with the remainder addressed with the use of fund balance. Budget actions are also recommended to address higher expenditures in the Water Recycling Fund and the Cemetery Fund.

In the month of April, the City received \$312 in donations, for total donations of \$35,655.

Economic indicators are mixed, and there is a tremendous amount of uncertainty. Given this level of uncertainty, the December 2022, March 2023 and June 2023 UCLA Anderson Forecasts presented a two-scenario approach: recession scenario and no recession scenario. The recession scenario predicts a recession occurring at the end of 2023, where “inflation would have continued to come own too slowly in not for the continued Federal Reserve rate hikes. In this scenario, the Federal Reserve forces a mild recession and accepts an economic contraction and higher unemployment to combat inflation.” In the no recession scenario, “economic growth slows but remains positive, inflation ebbs, labor markets slacken mildly, just enough to quell wage inflation, and the Federal Reserve eases its approach to monetary policy tightening” (UCLA Anderson Forecast, June 2023, *The More Things Change the More They Stay the Same: Recession or No Recession is Still the Question*).

On a national level, the unemployment rate changed little in April 2023 to 3.4% from 3.5% in March 2023. This rate was well below the record setting high of 14.7% in April 2020, and slightly lower than the pre-pandemic unemployment rate of 3.5%. In April, the number of unemployed persons was 5.7 million, which is consistent with the pre-pandemic level of 5.7 million. In the first quarter 2023 advance estimate, the Gross Domestic Product (GDP) increased by 1.1% as a result of higher consumer spending, exports, and federal, State and local spending.

The California unemployment rate was 4.5% in April 2023, up from 4.4% in March 2023 and 4.1% in April 2022. Since April 2020, California has gained 3.12 million jobs; regaining all of the 2.76 million nonfarm jobs lost due to COVID-19 in in March and April 2020. The unadjusted unemployment rate in the San José-Sunnyvale-Santa Clara Metropolitan Statistical Area (MSA) was 3.0% in April 2023, down slightly from a revised 3.3% in March 2023 but is above the April 2022 level of 2.5% and the February 2020 pre-pandemic level of 2.6%. Between April 2022 and April 2023, employment in this region increased by 32,200 jobs, or 2.8%.

Staff will bring forward the General Fund revenues and the City’s overall financial performance through June 30, 2023 at a later date as part of the Budgetary Year-End Report.

Monthly Investment Report (Attachment 2)

All securities held by the City of Santa Clara as of April 30, 2023 were in compliance with the City’s Investment Policy Statement regarding current market strategy and long-term goals and objectives. All securities held are rated “A” or higher by two nationally recognized rating agencies. There is

adequate cash flow and maturity of investments to meet the City's needs for the next six months.

The City's investment strategy for April 2023 was to invest funds not required to meet current obligations in securities listed in the prevailing Investment Policy Statement, with maturities not to exceed five years from the date of purchase. This strategy ensures safety of the City's funds, provides liquidity to meet the City's cash needs, and with a reasonable securities portfolio return of 1.99% in April.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

FISCAL IMPACT

From time to time, adjustments to the budget are required to reflect new information, align budgets with actual revenues and expenses, and correct for inadvertent errors. Recommended budget amendments are detailed in Attachment 3.

In the General Fund, actions are recommended to recognize fire-related fee and reimbursement revenue and appropriate the funds to the Fire Department. A transfer from the General Fund to the Vehicle Replacement Fund is recommended to fully fund the replacement of a fire truck and a transfer to the General Government Capital Fund is recommended to support the FHRMS (Finance and Human Resources software system) Update project, funded by savings in the Finance and Human Resources Departments and Non-Departmental. Additional funding is also recommended to allocate savings from Non-Departmental to the Fire Department for benefits costs.

Actions are recommended in the Electric Utility Fund to recognize and appropriate additional revenue as well as allocate fund balance to address the higher than anticipated power purchase costs. There are also amendments to shift unrestricted fund balance to various reserves in the fund to meet reserve targets. In addition, actions are recommended to appropriate additional funding in the Cemetery Fund for higher personnel costs and to recognize revenue in the Cemetery Capital Fund. In the Electric Utility Capital Fund, various transfers are recommended from the Water, Sewer, and Recycled Water Utilities to add funding for the Electric Yard Building and Grounds project. Additional actions are also included to shift funding from the Major Engine Overhaul and Repair project to the Replace Balance of Plant Control System project and to recognize and appropriate revenue to the San Tomas Junction project. Actions are also included in the Electric Utility Debt Service Fund to add funding for higher administrative costs.

Several actions are recommended in the Expendable Trust Fund to recognize and appropriate revenue for services rendered by the Information Technology and Public Works Departments. Attachment 3 also recommends recognizing and appropriating seized asset funding to the Police Department. There are also amendments in the Fire Operating Grant Trust Fund, Parks and Recreation Operating Grant Trust Fund, and Public Donations fund to recognize and appropriate various fees, reimbursements and donations from other agencies.

In the Housing and Urban Development Fund, actions are included to adjust the HOME administration appropriation to align the personnel budget to actual activity. Actions to recognize and

appropriate fee revenue to several projects in the Parks and Recreation Capital Fund are also recommended. An action is included in the Related Santa Clara Developer Fund to increase the Other Development Project Services appropriation, which is anticipated to be reimbursed by the developer.

In the Sewer Utility Capital and Water Utility Capital Funds, recommendations are included to appropriate additional funding to various projects that had higher than anticipated construction and engineering costs. An action is also included to appropriate funding to the resource and production category in the Water Recycling Fund to account for higher usage. An amendment in the Solid Waste Fund is included to appropriate funding for contracts and personnel costs related to the implementation of SB1383 Local Assistance Grant Program. An amendment is also included in the Solid Waste Capital Fund to increase the Sanitary Landfill Development - Post Closure project for higher than anticipated costs associated with pest control and winter storm repairs.

COORDINATION

This report has been coordinated with the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Note and file the Monthly Financial Status and Investment Reports for April 2023 as presented and Approve the Related Budget Amendments (five affirmative Council votes required to appropriate additional revenue or for the use of unused balances).

Reviewed by: Kenn Lee, Director of Finance

Approved by: Jōvan D. Grogan, City Manager

ATTACHMENTS

1. Monthly Financial Status Report - April 2023
2. Monthly Investment Report - April 2023
3. FY 2022/23 Budget Amendments



City of Santa Clara

The Center of What's Possible

MONTHLY FINANCIAL STATUS REPORT

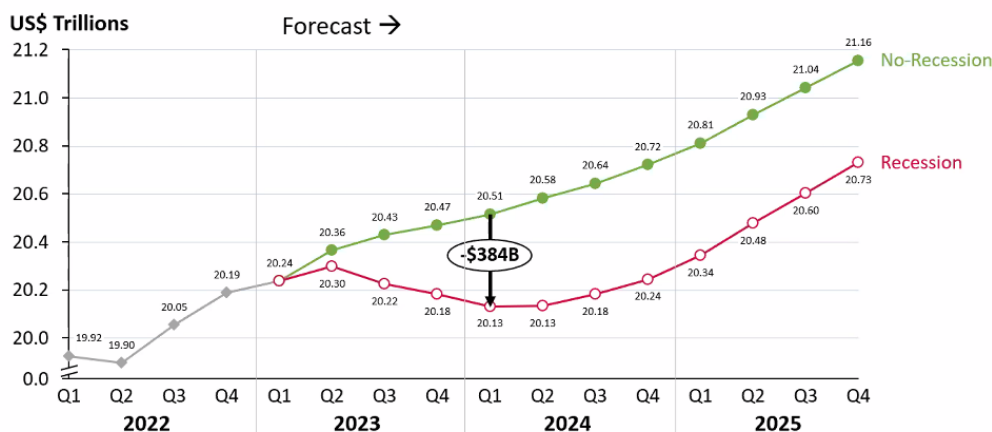
April 2023

This report summarizes the City's financial performance for the month ended April 30, 2023. Financial analysis for the report is provided for the General Fund, select Special Revenue Funds, Enterprise Operating Funds, and Capital Improvement Funds. Financial information included in this report is unaudited.

Economic Overview

Economic indicators are mixed, and there is a tremendous amount of uncertainty. Given this level of uncertainty, the December 2022, March 2023 and June 2023 UCLA Anderson Forecasts presented a two-scenario approach: recession scenario and no recession scenario. The recession scenario predicts a recession occurring at the end of 2023, where "inflation would have continued to come own too slowly in not for the continued Federal Reserve rate hikes. In this scenario, the Federal Reserve forces a mild recession and accepts an economic contraction and higher unemployment to combat inflation." In the no recession scenario, "economic growth slows but remains positive, inflation ebbs, labor markets slacken mildly, just enough to quell wage inflation, and the Federal Reserve eases its approach to monetary policy tightening".¹

Real GDP Levels, US\$ Trillions, Chained 2012 Prices, Seasonally Adjusted Rates



Source: UCLA Anderson Forecast and U.S. Bureau of Economic Analysis

"Consumer confidence declined in May as consumers' view of current conditions became somewhat less upbeat while their expectations remained gloomy," said Ataman Ozyildirim, Senior Director, Economics at The Conference Board. "Their assessment of current employment conditions saw the most significant deterioration, with the proportion of consumers reporting jobs are 'plentiful' falling 4 pts from 47.5 percent in April to 43.5 percent in May. Consumers also became more downbeat about future business conditions, weighing on the expectations index. However, expectations for jobs and incomes over the next six months held relatively steady. While consumer confidence has fallen across

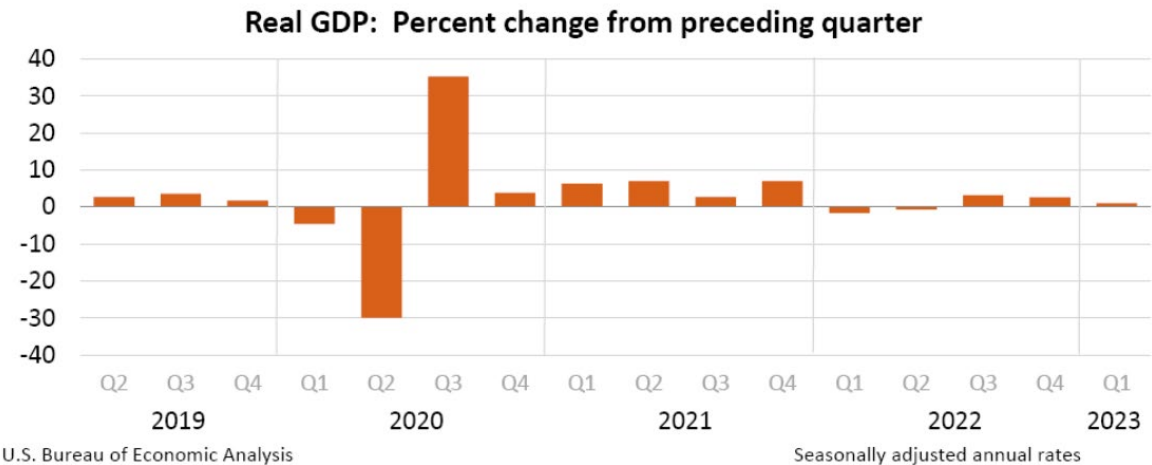
¹ UCLA Anderson Forecast, June 2023, "The More Things Change the More They Stay the Same: Recession or No Recession is Still the Question"

City of Santa Clara

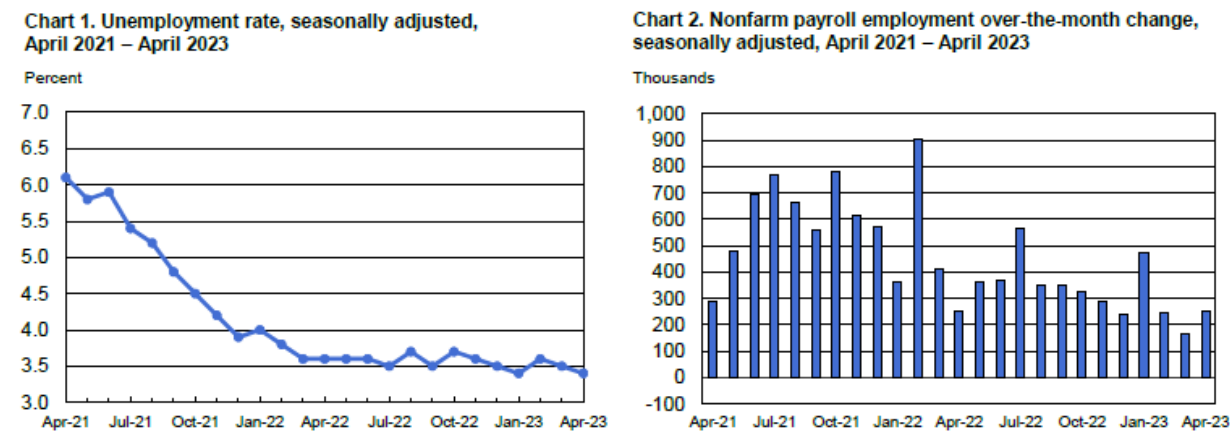
Financial Status Report as of April 30, 2023

all age and income categories over the past three months, May’s decline reflects a particularly notable worsening in the outlook among consumers over 55 years of age.”²

In the first quarter 2023 advance estimate, the Gross Domestic Product (GDP) increased by 1.1%, following a GDP increase of 2.6% in the fourth quarter 2022. The GDP increase in the first quarter reflects higher consumer spending, exports, federal, State and local spending.³



On a national level, the unemployment rate changed little from 3.5% in March 2023 to 3.4% in April 2023. This rate was well below the record setting high of 14.7% in April 2020, and close to the pre-pandemic unemployment rate of 3.5%. In April, the number of unemployed persons dropped slightly to 5.7 million, which is consistent with the pre-pandemic level of 5.7 million.⁴



The California unemployment rate was 4.5% in April 2023, up from 4.4% in March 2023 and 4.1% in April 2022. Between April 2022 and April 2023, total nonfarm jobs in California increased by 426,000 jobs (a 2.4 percent increase), with the largest increases in private educational and health services (up

² [US Consumer Confidence \(conference-board.org\)](https://www.conference-board.org)
³ https://www.bea.gov/sites/default/files/2023-04/tech1q23_adv.pdf
⁴ <https://www.bls.gov/news.release/pdf/empsit.pdf>

159,300 jobs), leisure and hospitality (up 132,400 jobs), government (up 54,700), and professional and business services (up 42,200). Since April 2020, California has gained 3.12 million jobs; regaining all of the 2.76 million nonfarm jobs lost due to COVID-19 in March and April 2020.⁵

The unadjusted unemployment rate in the San José-Sunnyvale-Santa Clara Metropolitan Statistical Area (MSA) was 3.0% in April 2023, down slightly from a revised 3.3% in March 2023 but is above the April 2022 level of 2.5% and the February 2020 pre-pandemic level of 2.6%. Between April 2022 and April 2023, employment in this region increased by 32,200 jobs, or 2.8%. The largest increases were in private educational and health services (up 9,700 jobs), leisure and hospitality (up 9,600 jobs), professional and business services (up by 7,500 jobs), and manufacturing (up 4,500 jobs).⁶

General Fund

The General Fund is the major operating fund for the City and includes multiple programs, services, and activities for the residents and businesses of the City. The adopted budget for operating revenues and expenditures for fiscal year 2022/23 was \$272.4 million. The amended budget for revenues and expenditures was adjusted to \$290.9 million to reflect various budget amendments approved by the City Council through April 2023.

General Fund revenues are currently tracking to end the year above the budgeted level. Through April, departmental expenditures are tracking below budget and this trend is expected to continue as departments continue to experience vacancies and control expenditures through various cost control measures.

⁵ edd.ca.gov/en/about_edd/news_releases_and_announcements/unemployment-april-2023/

⁶ [labormarketinfo.edd.ca.gov/file/lfmonth/sjos\\$pds.pdf](https://labormarketinfo.edd.ca.gov/file/lfmonth/sjos$pds.pdf)

Financial Status Report as of April 30, 2023

General Fund Revenues

As of April 30, 2023, \$210.3 million, or 87.5% of the General Fund estimated revenue (excluding transfers) was received. Transfers and use of reserves of \$50.6 million have occurred as budgeted. Revenue collections are tracking to end the year above budget and are higher when compared to collections last fiscal year.

CITY OF SANTA CLARA GENERAL FUND REVENUES OVERVIEW AND COMPARISON BY TYPE

Function	FISCAL YEAR 2022/23				PY REVENUE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 04/30/2023	Percentage Received	Actual Through 04/30/2022	Change From Prior Year	Percentage Change
TAXES							
Sales Tax	\$ 60,173,000	\$ 60,173,000	\$ 40,966,901	68.08%	\$ 37,231,047	\$ 3,735,854	10.03%
Property Tax	75,261,000	75,261,000	72,706,598	96.61%	61,104,202	11,602,396	18.99%
Transient Occupancy Tax	12,600,000	12,600,000	13,084,947	103.85%	5,144,581	7,940,366	154.34%
Other Taxes	6,260,000	6,260,000	4,743,025	75.77%	4,906,609	(163,584)	-3.33%
Total Taxes	154,294,000	154,294,000	131,501,471	85.23%	108,386,439	23,115,032	21.33%
LICENSES & PERMITS							
Business Licenses	900,000	900,000	701,261	77.92%	685,784	15,477	2.26%
Fire Operation Permits	2,100,000	2,358,000	1,567,554	66.48%	1,570,522	(2,968)	-0.19%
Miscellaneous Permits	72,000	72,000	40,719	56.55%	74,229	(33,510)	-45.14%
Total Licenses & Permits	3,072,000	3,330,000	2,309,534	69.36%	2,330,535	(21,001)	-0.90%
FINES & PENALTIES	1,465,000	1,615,000	569,706	35.28%	310,120	259,586	83.71%
INTERGOVERNMENTAL	310,000	609,286	1,112,320	182.56%	2,435,967	(1,323,647)	-54.34%
CHARGES FOR SERVICES	31,258,098	31,239,098	26,727,974	85.56%	25,161,215	1,566,759	6.23%
TRANSFER FROM CITY UTILITIES	26,170,000	26,170,000	23,869,906	91.21%	21,477,813	2,392,093	11.14%
USE OF MONEY & PROPERTY							
Interest	2,532,000	2,532,000	2,091,994	82.62%	1,235,905	856,089	69.27%
Rent	10,584,266	10,584,266	9,813,484	92.72%	8,188,523	1,624,961	19.84%
Total Use of Money & Property	13,116,266	13,116,266	11,905,478	90.77%	9,424,428	2,481,050	26.33%
MISCELLANEOUS REVENUES	150,000	189,611	2,672,294	1409.36%	592,966	2,079,328	350.67%
OTHER FINANCING SOURCES							
Operating Transfer In - Storm Drain	1,454,000	1,454,000	1,454,000	100.00%	1,454,000	-	0.00%
Operating Transfer In - Reserves	25,812,244	36,719,079	36,719,079	100.00%	32,758,819	3,960,260	12.09%
Operating Transfer In - Fund Balances ⁽²⁾	4,484,726	4,484,726	4,484,726	100.00%	4,817,658	(332,933)	-6.91%
Operating Transfer In - Miscellaneous	2,127,374	7,968,589	7,968,589	100.00%	5,593,917	2,374,672	42.45%
Total Other Financing Sources	33,878,344	50,626,394	50,626,394	100.00%	44,624,394	6,001,999	13.45%
STADIUM OPERATION							
Charges for Services	7,889,147	8,939,147	8,888,626	99.43%	2,361,867	6,526,759	276.34%
Rent and Licensing	752,500	752,500	710,000	94.35%	297,359	412,641	138.77%
Total Stadium Operation	8,641,647	9,691,647	9,598,626	99.04%	2,659,226	6,939,400	260.96%
TOTAL GENERAL FUND	\$ 272,355,355	\$ 290,881,302	\$ 260,893,703	89.69%	\$ 217,403,103	\$ 43,490,599	20.00%

(1) The Operating Transfer In - Fund Balances includes the carryover encumbrances of open purchase orders as of June 30, 2022 and mid year budget amendment from reserves.

General Fund Revenues

Sales Tax: The City of Santa Clara sales tax rate is 9.0%, of which the City receives 1.0%. As of April 30, 2023, approximately \$41.0 million has been collected. This reflects an increase of \$3.7 million when compared to collections through the same period last fiscal year. In this fiscal year, sales tax receipts increased 15.7% in the first quarter and 2.4% in the second quarter when compared to the same quarters last fiscal year. While not yet fully reflected in the data through April given the timing of payments, the third quarter experienced growth of 20.2%. Based on the strong performance in the third quarter, receipts are now expected to exceed the budgeted estimate of \$59.4 million. For instance, if growth of 3% is realized in the last quarter, sales tax collection will exceed the budget by approximately \$2 million. Internet sales represents a sizeable amount of the City's sales tax revenue. The County pool, which includes internet sales, accounts for approximately 20% of the sales tax the City receives.

Property Tax: Through April, 96.6% of the property tax budgeted estimate has been received. The majority of property tax revenue is collected in February and April each year. Based on information from the County of Santa Clara, property tax receipts are projected to end the year at \$84.1 million, well above the Adopted Budget estimate of \$75.3 million and the prior year collections of \$74.6 million. This reflects strong growth in the secured, supplemental, and unsecured property tax categories. A budget amendment was approved on May 23rd (RTC 23-337) as part of the February/March Monthly Financial Report to recognize the additional projected revenue of \$8.86 million. Of this amount, \$1.65 million was set aside in a new Property Tax Excess Education Augmentation Revenue Fund (ERAF) Reserve to address potential legal challenges associated with these funds. In FY 2022/23, an estimated \$5.5 million is projected from excess ERAF distributions (under Proposition 98, a portion of property tax receipts have been allocated to the ERAF beginning in 1992, and once there are sufficient funds in ERAF to fulfill the obligation to the school districts, excess funds are returned to the taxing entities that contributed the funding). The California School Boards Association has filed a lawsuit against the Controller of the State of California on the disbursement of the excess ERAF funds. Given this lawsuit, the County of Santa Clara has estimated that approximately 30% of the excess ERAF distribution is at risk (estimated \$1.65 million in FY 2022/23).

Transient Occupancy Tax (TOT): TOT is calculated as a percentage of City hotel/motel room charges. The City's TOT rate is 11.5%. Through April 30, 2023, \$13.1 million has been received, which is significantly higher than receipts through the same period last fiscal year of \$5.1 million. While businesses continue to recover from COVID-19 impacts, activity has not yet reached pre-pandemic levels. TOT receipts through April are tracking close to pre-pandemic levels; however, this is due in part to the TOT rate increase that went into effect in January 2022. Factoring out the rate increase, TOT activity is tracking at approximately 80% of pre-pandemic levels. Based on current collection trends, TOT receipts are expected to end the year at approximately \$19 - \$20 million, exceeding the budgeted estimate of \$12.6 million.

Other Taxes: Includes franchise tax and documentary transfer tax. The City has collected \$4.7 million through April, which is lower than prior year collection levels. This reflects lower collections in the documentary transfer tax category that are partially offset by higher collections in the franchise tax

category. While receipts are tracking slightly below last year, collections are projected to meet the budgeted estimate of \$6.3 million.

Licenses & Permits: Includes business licenses, fire operation permits, and miscellaneous permits and fees. Effective FY 2021/22, building, electric, plumbing, and mechanical permits are budgeted in the Building Development Services Fund, which is reflected in the Special Revenue section of this report. Licenses and permits revenue collections are tracking below par with receipts totaling \$2.3 million, or 69.4% of the budget of \$3.3 million, through April. This collection level is consistent with the prior fiscal year collection level. Based on current collections trends, revenues in this category are tracking to end the year below the budgeted estimate.

Fines & Penalties: Includes vehicle, parking, court fines, and miscellaneous penalty fines. The revenue of approximately \$0.6 million collected through April is tracking to end the year below the budgeted estimate of \$1.6 million largely due to the waiving of late fees implemented in response to COVID-19. The late fees are no longer being waived as of April 1, 2023.

Intergovernmental: Includes motor vehicle fees, state homeowner tax relief, fire mutual aid, state mandated reimbursement and redistribution of land sale proceeds and ground leases from the Successor Agency. Through April 30, 2023, \$1.1 million has been received, which is lower than the prior year collection level but above the budgeted estimate. The fire mutual aid revenue and department budget adjustment of \$0.3 million, approved as part of the January 2023 Monthly Financial Report, are reflected. A second adjustment of \$0.3 million to the same categories was approved on May 23, 2023 as part of the February/March 2023 Monthly Financial Report, which is not yet reflected.

Charges for Services: Includes various plan check and zoning-related fees, engineering fees, administrative fees, and community service revenue from various recreational activities. Through April 30, 2023, collections are tracking within the budgeted estimate at \$26.7 million, or 85.6% of the budget. This reflects a 6% increase compared to last year's collections through the same period of \$25.2 million. This increase is a result of higher collections for technology fee, Fire construction permits, and Fire EMS fees.

Transfer from City Utilities: In accordance with the City's charter, Silicon Valley Power pays 5.0% of gross revenues to the General Fund. As of April 30, 2023, \$23.9 million has been received. Transfers throughout the year are based on the budgeted estimate and will be trued up at the end of the fiscal year based on actual performance.

Use of Money & Property: Includes realized interest income and rental income. Interest income and rent revenue collections totaled \$11.9 million, or 90.8% of the budget. These collections are higher than collections through last fiscal year of \$8.5 million. The increase in the interest income reflects the higher investment yield, while rents are higher primarily due to the Commerce Plaza and Hyatt Regency at 5101 Great America properties. Collections are expected to exceed the budgeted estimate of \$13.1 million.

Miscellaneous Revenues: Includes developer fees, donations, damage recovery, sale of surplus, and one-time miscellaneous revenues. Through April 30, 2023, collections of \$2.7 million are higher than collections through the same period last fiscal year of \$0.6 million. This increase is primarily attributable to the \$1.67 million settlement between the City, the Santa Clara Stadium Authority, and the Forty-Niners SC Stadium Company LLC and Forty Niners Stadium Management Company LLC (collectively, the Forty-Niners).

Stadium Operation: As of April 30, 2023, charges for services collected through the Stadium totaled \$9.6 million, which is above par for this time of year. This is significantly higher than collections through the same period last year resulting from the reopening of Stadium for events and two additional NFL playoff games held at the Stadium. The revenue estimate also reflects the \$1.0 million adjustment approved as part of the January 2023 Monthly Financial Report on March 21, 2023. A second budget amendment approved on May 23, 2023 as part of the February/March 2023 Monthly Financial Report to recognize and allocate additional reimbursements of \$1.4 million is not yet reflected in this report.

General Fund Expenditures

As of April 30, 2023, \$225.2 million or 77.4% of the General Fund operating budget had been expended. Overall, expenditures in the General Fund are tracking below budgeted levels through April. Departmental expenditures totaled \$207.6 million, or 76% of the budget, which is below the par level of 83.3% of the budget. This reflects savings from vacant positions as well as savings generated from cost-control measures that were implemented in FY 2019/20. Expenditures are expected to end the year below budget.

CITY OF SANTA CLARA GENERAL FUND EXPENDITURES OVERVIEW AND COMPARISON BY FUNCTION

Function	FISCAL YEAR 2022/23				PY EXPENDITURES COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 04/30/2023	Percentage Used	Actual Through 04/30/2022	\$ Change From Prior Year	Percentage Change
GENERAL GOVERNMENT							
Non-Departmental	\$ 7,514,334	\$ 9,513,394	\$ 3,815,202	40.10%	\$ 3,537,127	\$ 278,075	7.86%
City Council	861,105	862,396	553,351	64.16%	660,598	(107,247)	-16.23%
City Clerk	2,076,112	2,093,661	1,655,618	79.08%	1,114,721	540,897	48.52%
City Manager	6,085,321	6,292,428	4,262,582	67.74%	4,118,831	143,751	3.49%
City Attorney	3,202,735	3,690,974	2,661,949	72.12%	1,994,902	667,047	33.44%
Human Resources	4,508,710	4,828,451	3,020,325	62.55%	3,060,811	(40,486)	-1.32%
Finance	19,045,131	20,272,300	14,812,761	73.07%	13,387,572	1,425,189	10.65%
Total General Government	43,293,448	47,553,604	30,781,788	64.73%	27,874,562	2,907,226	10.43%
PUBLIC WORKS	24,021,840	25,092,840	17,999,915	71.73%	18,208,968	(209,053)	-1.15%
COMMUNITY DEVELOPMENT	5,398,007	5,665,420	3,698,027	65.27%	3,850,697	(152,670)	-3.96%
PARKS AND RECREATION	21,695,302	22,268,627	16,437,472	73.81%	14,944,925	1,492,547	9.99%
PUBLIC SAFETY							
Fire	62,298,852	66,244,112	55,688,674	84.07%	38,405,097	17,283,577	45.00%
Police	84,615,023	85,779,549	67,015,288	78.13%	46,909,196	20,106,092	42.86%
Total Public Safety	146,913,875	152,023,661	122,703,962	80.71%	85,314,293	37,389,669	43.83%
LIBRARY	11,889,451	12,277,870	8,582,377	69.90%	7,307,700	1,274,677	17.44%
DEPARTMENTAL TOTAL	253,211,923	264,882,022	200,203,541	75.58%	157,501,145	42,702,396	27.11%
OTHER FINANCING USES							
Operating Transfer Out - Miscellaneous	38,809	38,809	38,809	100.00%	24,561,216	(24,522,407)	-99.84%
Operating Transfer Out - Debt Services	1,402,275	1,402,275	1,402,275	100.00%	2,501,439	(1,099,164)	-43.94%
Operating Transfer Out - Maintenance Dtrct	842,700	842,700	842,700	100.00%	771,349	71,351	9.25%
Operating Transfer Out - Cemetery	870,000	870,000	870,000	100.00%	850,000	20,000	2.35%
Operating Transfer Out - CIP	8,625,501	8,817,613	8,817,613	100.00%	11,773,925	(2,956,312)	-25.11%
Operating Transfer Out - Reserves	-	5,598,215	5,598,215	100.00%	3,309,009	2,289,206	69.18%
Total Other Financing Uses	11,779,285	17,569,612	17,569,612	100.00%	43,766,938	(26,197,326)	-59.86%
STADIUM OPERATION	7,364,147	8,429,668	7,393,974	87.71%	5,541,384	1,852,590	33.43%
TOTAL GENERAL FUND	\$ 272,355,355	\$ 290,881,302	\$ 225,167,127	77.41%	\$ 206,809,467	\$ 18,357,660	8.88%

General Fund Expenditures

Below is an explanation of certain budget to actual expenditure variances by department.

Non-Departmental: Includes expenditures that are not attributable to a single department, but a function of the City in general. As of April 30, 2023, expenditures totaled \$3.8 million, or 40.1% of the budget. These expenditures are tracking below budget but are higher than the prior year levels, primarily as a result of higher expenditures in the contractual services as well as salaries and benefits categories. The budget for this category includes \$1.7 million for the Education Revenue Augmentation Fund (ERAF) Property Tax contingency that was set aside as part of the FY 2021/22 Year-End Budgetary Report due to a legal challenge from the California School Boards regarding the distribution of the excess ERAF funds. As part of the February/March Monthly Financial Report approved on May 23, 2023, budget actions were approved to move these funds, along with additional funds from FY 2022/23, to a new Property Tax Excess ERAF Reserve. Excluding these ERAF funds, non-departmental expenditures would have tracked at 48.8% of the budget through April. This category also includes \$1.8 million for separation payouts that has not been expended; these funds are transferred to departments as necessary to address these costs. Budget actions are recommended in this report to allocate a portion of these funds to the Fire Department to cover the separation payouts in that department.

City Attorney: Through April, actual expenditures totaled approximately \$2.7 million, which is below expected levels at 72.1% of the budget. Spending is 33% above the total expenditures through the same time last fiscal year due to higher costs for contractual legal services and salaries and benefits.

City Clerk: Through April, actual expenditures were tracking above budget at \$1.7 million or approximately 79.1% of the budget. This reflects a 48.5% increase in spending compared to prior year spend levels; however, is still within budgeted levels. This is a result of one-time special election costs, higher salaries and benefits costs, and Granicus costs that are paid every other year.

City Council: Through April 30, 2023, expenditures were at 64.2% of budget, which is below par. Compared to the same period through last fiscal year, this reflects a spending decrease of approximately 16.2%, which is primarily the result of savings due to vacancies within the department.

City Manager: Expenditures through April totaled \$4.3 million, or 67.7% of the budget, which is below par for this time of the year. Expenditures are 3.5% higher compared with the spending level through the same period last fiscal year. This increase reflects higher property management maintenance costs and as-needed spending. This increase is partially offset by lower spending in salaries and benefits and advertising.

Community Development Department: This department consists of three divisions: Planning, Building, and Housing and Community Services. The Building division of this department is reflected in the Building Development Services Fund, which falls under the special revenue section of this report. Through April, General Fund expenditures for the Planning and Housing and Community Services divisions totaled \$3.7 million, or 65.3% of budget, which is below the par level of 83%. Expenditures

were slightly below the spending through the same period last fiscal year due to lower non-personnel expenditures.

Finance Department: Through April, the Department's expenditures totaled \$14.8 million, or 73.1% of the budget, which is below par. This expenditure level was approximately 10.7% higher than the prior year primarily as a result of higher salaries and benefits costs.

Fire Department: Through April, expenditures totaled \$55.7 million, or 84.1% of the budget, which is at par. These expenditures reflect a 45% increase from expenditures through the same period last fiscal year. This large increase compared to the prior year is a result of the shifting of \$11.3 million of Fire's operating budget to the American Rescue Plan Act (ARPA) Fund last year on a one-time basis. As the ARPA was one-time funding, this year's tracking reflects all of the Department's expenditures. Spending is higher in the salaries and benefits, as-needed, contractual services, maintenance, and capital outlay categories. Overtime expenditures are tracking above the budget at 116.8%. While this overtime figure is high, it is important to note that overtime is used to backfill for vacant positions and the vacancy savings offset a portion of the overtime costs. In addition, overtime costs are higher due to mutual aid efforts that will be reimbursed. The Department's budget now reflects an adjustment appropriating \$0.3 million for Cal OES reimbursements from the January 2023 monthly financial report. The budget does not yet reflect the second adjustment of \$0.3 million for Cal OES reimbursements that was approved on May 23, 2023 as part of the February/March 2023 Monthly Financial Report. Additional budget amendments are recommended in this report to recognize fire-related revenue from fees and various reimbursements and allocate those funds to cover Fire Department salary, overtime and non-personnel costs.

Library Department: Through April, actual expenditures totaled \$8.6 million, or 70% of the budget, which is below par, but nearly 17.4% higher than expenditure levels last fiscal year. This is a result of resuming operations which began earlier this calendar year.

Parks and Recreation Department: Through April, actual expenditures totaled approximately \$16.4 million, or 73.8% of the budget, which is below par, but above the prior year actuals of \$14.9 million. This is due to the department resuming activities that were previously impacted by COVID-19 restrictions.

Police Department: Expenditures through April are tracking below expected levels at \$67.0 million, or 78.1% of the budget. This is approximately 43% higher when compared to spending levels through the same period last fiscal year. Similar to the Fire Department, this large increase compared to the prior year is a result of the shifting of \$14.9 million of Police's operating budget to the American Rescue Plan Act Fund last year on a one-time basis. As this was one-time funding, this year's tracking reflects all of the Department's expenditures.

Stadium Operation: Stadium operating expenditures are incurred first and billed on a reimbursement basis creating a timing difference in revenue recognition. Stadium expenditures totaled approximately \$7.4 million through April and are tracking above budgeted levels at 87.7%. This is 33.4% higher than expenditures through the same period last year, as a direct result of the reopening of the Stadium for events and two additional NFL playoff games held at the Stadium. The budget incorporates the \$1.0

million adjustment approved on March 21, 2023 as part of the January 2023 Monthly Financial Report. Another budget amendment was approved on May 23, 2023 as part of the February/March 2023 Monthly Financial Report to recognize and allocate additional projected reimbursements of \$1.4 million. This adjustment is not yet reflected.

Special Revenue Funds

The table below is a summary of revenues and expenditures of select Special Revenue Funds as of April 30, 2023. The amended budget reflects carryover encumbrances from fiscal year 2021/22 and budget amendments approved by the City Council through April 2023. Effective July 1, 2021, all Building Division revenues and expenditures are budgeted and accounted for in the Building Development Services Fund, which is included in the table below.

Revenues totaled \$24.4 million, or 89.8% of budget, while expenditures totaled \$24.9 million, or 60.8% of budget through the end of April. Overall, revenues are tracking above budget due primarily to strong performance in the Building Development Services Fee Fund which has exceeded the annual revenue estimate. Expenditures in almost all funds are tracking below the par level of 83%. The Housing Successor Agency Fund expenditures are tracking above budgeted levels; however, this is the result of a loan disbursement being expended in full. Spending for the remainder of the year is expected to level off and end within budget. Revenue and expenses are tracking lower in the Housing and Urban Development Fund due to less activity in the Neighborhood Conservation and Improvement Program (NCIP) and the Affordable Rental Housing program. Projects under both of these programs have been delayed due to limited staff capacity; however, they are anticipated to be completed by the end of next fiscal year.

CITY OF SANTA CLARA SPECIAL REVENUE FUNDS REVENUE AND EXPENDITURE - OVERVIEW AND COMPARISON BY FUND

Fund Description	REVENUES - FISCAL YEAR 2022/23				PRIOR YEAR REVENUE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 4/30/2023	Percentage received	Actual Through 4/30/2022	\$ Change From Prior Year	Percent Change
Housing Authority Fund	\$ 280,000	\$ 277,495	\$ 390,403	140.69%	\$ 513,407	\$ (123,004)	-23.96%
City Affordable Housing Fund	682,000	7,162,700	6,290,674	87.83%	2,624,876	3,665,798	139.66%
Housing Successor Fund	350,000	1,306,326	619,706	47.44%	5,841,997	(5,222,291)	-89.39%
Housing and Urban Development	1,810,000	3,924,461	964,270	24.57%	2,500,639	(1,536,369)	-61.44%
Building Development Services Fee Fund	14,112,000	14,464,458	16,098,227	111.30%	14,881,545	1,216,682	8.18%
American Rescue Plan Act Fund	-	-	-	0.00%	13,264,822	(13,264,822)	-100.00%
TOTAL	\$ 17,234,000	\$ 27,135,440	\$ 24,363,280	89.78%	\$ 39,627,286	\$ (15,264,006)	-38.52%

Fund Description	EXPENDITURES - FISCAL YEAR 2022/23				PRIOR YEAR EXPENDITURE COMPARISON		
	Adopted Budget	Amended Budget	Actual through 4/30/2023	Percentage used	Actual through 4/30/2022	\$ Change From Prior Year	Percent Change
Housing Authority Fund	\$ 380,363	\$ 584,503	\$ 183,604	31.41%	\$ 131,083	\$ 52,521	40.07%
City Affordable Housing Fund	1,685,731	11,499,145	6,777,826	58.94%	753,840	6,023,986	799.11%
Housing Successor Fund	1,242,599	6,049,148	5,432,420	89.80%	12,319,888	(6,887,468)	-55.91%
Housing and Urban Development	2,355,815	5,223,984	1,495,705	28.63%	2,735,311	(1,239,606)	-45.32%
Building Development Services Fee Fund	13,360,809	17,682,237	11,059,318	62.54%	8,970,792	2,088,526	23.28%
American Rescue Plan Act Fund	-	-	-	0.00%	25,921,801	(25,921,801)	-100.00%
TOTAL	\$ 19,025,317	\$ 41,039,017	\$ 24,948,873	60.79%	\$ 50,832,715	\$ (25,883,842)	-50.92%

Governmental Capital Improvement Funds

The table below lists the revenue for selected capital improvement funds. The amended budget reflects current year appropriations, prior year carryover, and budget amendments approved through April 2023. As of April 30, 2023, the capital fund revenue totaled \$32.7 million. In the Parks and Recreation Capital Fund, \$24.4 million has been collected, which includes \$23.2 million in Mitigation Fee Act revenue. In the Streets & Highways Fund, revenues are tracking well below budget due to the timing of projects and associated reimbursements.

CITY OF SANTA CLARA GOVERNMENTAL CAPITAL IMPROVEMENT FUNDS REVENUE - OVERVIEW AND COMPARISON BY SELECTED FUND

Fund Description	REVENUES - FISCAL YEAR 2022/23					Percentage Used
	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 4/30/2023		
Parks & Recreation	\$ 26,256,378	\$ 3,301,620	\$ 29,557,998	\$ 24,360,827	82.42%	
Streets & Highways	6,634,174	15,921,680	22,555,854	2,988,943	13.25%	
Storm Drain	1,454,000	-	1,454,000	1,205,717	82.92%	
Public Buildings	-	100,000	100,000	100,000	100.00%	
City Affordable Housing Capital	-	-	-	630,142	NA	
Related Santa Clara Developer	2,968,317	1,118,024	4,086,341	998,739	24.44%	
Patrick Henry Drive	69,205	-	69,205	-	0.00%	
Infrastructure Improvement Fund						
Tasman East Specific	2,413,605	-	2,413,605	2,419,501	100.24%	
Infrastructure Improvement Fund						
TOTAL	\$ 39,795,679	\$ 20,441,324	\$ 60,237,003	\$ 32,703,869	54.29%	

The table below lists the total amended budgeted amounts for expenditures in the Capital Improvement Funds. Similar to the revenue table, the amended expenditure budgets consist of current year appropriations, prior year carryover encumbrance balances in Governmental Capital Improvement Funds, and budget amendments approved through April 2023. As of April 30, 2023, capital fund expenditures totaled \$29.1 million, or 18.6% of the amended budget.

As part of the adoption of the FY 2022/23 and FY 2023/24 capital improvement program budget, some capital funds were carried over for projects that were not anticipated to be completed by June 30, 2022. Necessary additional adjustments to the capital carryover amounts were included as part of the Budgetary Year-End Report for FY 2021/22 approved on December 6, 2022. These adjustments are reflected in the table below.

The carryover of prior year budget amounts is necessary when services or projects are started but not completed at the end of the fiscal year. This is especially true for the Capital Improvement Program (CIP) that typically spans several years. The table below displays the expenditure budget for the General Government capital funds excluding transfers.

CITY OF SANTA CLARA GOVERNMENTAL CAPITAL IMPROVEMENT FUNDS EXPENDITURE - OVERVIEW AND COMPARISON BY FUND

EXPENDITURES - FISCAL YEAR 2022/23						
Fund Description	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 4/30/2023	Percentage Used	
Parks & Recreation	\$ 20,141,514	\$ 20,913,971	\$ 41,055,485	\$ 6,152,608	14.99%	
Streets & Highways	27,334,386	53,175,624	80,510,010	13,070,178	16.23%	
Storm Drain	5,181,209	2,745,531	7,926,740	3,082,060	38.88%	
Fire	1,580,091	395,077	1,975,168	551,439	27.92%	
Library	413,111	35,747	448,858	88,981	19.82%	
Public Buildings	4,378,736	2,439,492	6,818,228	672,376	9.86%	
General Gov't - Other	3,687,314	6,158,460	9,845,774	1,624,081	16.50%	
City Affordable Housing Capital	-	1,600,000	1,600,000	-	0.00%	
Related Santa Clara Developer	3,566,699	-	3,566,699	2,035,794	57.08%	
Patrick Henry Drive	69,205	-	69,205	57,459	83.03%	
Infrastructure Improvement Fund						
Tasman East Specific Infrastructure Improvement Fund	3,221,395	-	3,221,395	1,793,747	55.68%	
TOTAL	\$ 69,573,660	\$ 87,463,902	\$ 157,037,562	\$ 29,128,723	18.55%	

Financial Status Report as of April 30, 2023

Enterprise Funds

The table below is a summary of revenues and expenses for the Enterprise Operating Funds as of April 30, 2023.

CITY OF SANTA CLARA ENTERPRISE OPERATING FUNDS REVENUES AND EXPENSES - OVERVIEW AND COMPARISON BY FUND

Fund Description	REVENUES - FISCAL YEAR 2022/23				PRIOR YEAR REVENUE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 4/30/2023	Percentage received	Actual Through 4/30/2022	\$ Change From Prior Year	Percent Change
Electric Utility Fund	\$ 615,818,445	\$ 629,425,236	\$ 487,337,579	77.43%	\$ 427,169,652	\$ 60,167,927	14.09%
Water Utility Fund	48,358,520	48,358,520	38,696,918	80.02%	39,580,268	(883,350)	-2.23%
Sewer Utility Fund	40,459,345	40,459,345	37,232,331	92.02%	44,397,398	(7,165,067)	-16.14%
Cemetery Fund	600,000	600,000	515,690	85.95%	606,786	(91,096)	-15.01%
Solid Waste Utility Fund	37,245,092	37,245,092	28,323,184	76.05%	26,516,507	1,806,677	6.81%
Water Recycling Fund	5,708,446	5,708,446	4,888,206	85.63%	4,962,225	(74,019)	-1.49%
TOTAL REVENUE	\$ 748,189,848	\$ 761,796,639	\$ 596,993,908	78.37%	\$ 543,232,836	\$ 53,761,072	9.90%

Fund Description	EXPENSES - FISCAL YEAR 2022/23				PRIOR YEAR EXPENSE COMPARISON		
	Adopted Budget	Amended Budget	Actual through 4/30/2023	Percentage Used	Actual through 4/30/2022	\$ Change From Prior Year	Percent Change
Electric Utility Fund	\$ 603,681,580	\$ 606,426,798	\$ 474,903,194	78.31%	\$ 410,417,960	\$ 64,485,234	15.71%
Water Utility Fund	46,797,065	48,768,438	36,979,737	75.83%	34,705,410	2,274,327	6.55%
Sewer Utility Fund	30,825,023	33,220,466	23,870,779	71.86%	22,485,506	1,385,273	6.16%
Cemetery Fund	1,539,796	1,545,944	1,276,193	82.55%	1,152,286	123,907	10.75%
Solid Waste Utility Fund	36,626,118	40,169,992	26,137,141	65.07%	24,245,872	1,891,269	7.80%
Water Recycling Fund	5,729,413	5,739,135	5,498,838	95.81%	4,685,864	812,974	17.35%
TOTAL - Operating Appropriations	\$ 725,198,995	\$ 735,870,773	\$ 568,665,882	77.28%	\$ 497,692,898	\$ 70,972,984	14.26%

Revenues in the electric (which also includes the Electric Debt Service Fund), water, and sewer utility (which also includes the Sewer Debt Service Fund) and water recycling funds are primarily from customer service charges. The activity levels for these customer service charges also impact the resource and production costs on the expenditure side for these funds.

Expenditures in the Electric Utility Fund are tracking to end the year above the budget due to higher power purchase and production costs which are driven by the extreme spikes in natural gas prices. It is anticipated that higher revenues will partially offset these higher costs with the remainder addressed with the use of fund balance. Budget balancing amendments are recommended in this report.

In the Cemetery Fund, revenue is tracking below the prior year due to lower sales, while the decrease in Sewer revenue reflects the amount of reimbursements received from the City of San Jose related to the co-owned Regional Wastewater Facility. Expenditures are tracking higher in the Water Recycling Fund and Water Utility Fund as a result of higher spending in the resources category. A budget adjustment in the Water Recycling Fund was approved on May 23, 2023 as part of the February/ March

Financial Status Report as of April 30, 2023

2023 Monthly Financial Report to account for the significantly higher spend in the resource category; this adjustment is not reflected in the budget figures through April.

A summary of revenue and expenses in the Enterprise Capital Improvement Funds are detailed in the tables below. Actual revenue through April 30, 2023 totaled \$39.1 million, consisting primarily of developer contributions in the Electric Utility Fund and transfers from customer services charges in the Sewer Utility Fund. Enterprise capital fund expenses totaled \$45.2 million, or 16.3% of the amended budget. Similar to the general government capital funds, capital funds were carried over into next fiscal year as part of the FY 2022/23 and FY 2023/24 budget adoption process for those projects that have not yet been completed. Adjustments to the capital carryover amounts based on actual year-end expenditures were approved as part of the Budgetary Year-End Report for FY 2021/22 on December 6, 2022 and are reflected below.

CITY OF SANTA CLARA ENTERPRISE CAPITAL IMPROVEMENT FUNDS REVENUE - OVERVIEW AND COMPARISON BY SELECTED FUND

Fund Description	REVENUES - FISCAL YEAR 2022/23				
	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 4/30/2023	Percentage Used
Electric Utility Fund	\$ 40,950,870	\$ 14,554,461	\$ 55,505,331	\$ 28,427,014	51.21%
Street Lighting ⁽¹⁾	-	-	-	41,442	N/A
Sewer Utility Fund	-	-	-	10,650,724	N/A
Solid Waste Utility Fund	250,000	65,000	315,000	9,364	2.97%
TOTAL - CIP Appropriations	\$ 41,200,870	\$ 14,619,461	\$ 55,820,331	\$ 39,128,544	70.10%

CITY OF SANTA CLARA ENTERPRISE CAPITAL IMPROVEMENT FUNDS EXPENDITURE - OVERVIEW AND COMPARISON BY FUND

Fund Description	EXPENSES - FISCAL YEAR 2022/23				
	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 4/30/2023	Percentage Used
Electric Utility Fund	\$ 131,429,732	\$ 80,191,903	\$ 211,621,635	\$ 35,503,193	16.78%
Street Lighting ⁽¹⁾	(1,835,662)	5,637,312	3,801,650	185,100	4.87%
Water Utility Fund	8,012,986	-	8,012,986	2,588,457	32.30%
Sewer Utility Fund	26,645,486	23,316,657	49,962,143	5,914,110	11.84%
Cemetery Fund	53,642	233,980	287,622	20,167	7.01%
Solid Waste Utility Fund	891,521	4,488	896,009	482,554	53.86%
Water Recycling Fund	29,774	-	29,774	15,225	51.14%
Convention Center Capital Fund	-	2,691,883	2,691,883	532,324	19.78%
TOTAL - CIP Appropriations	\$ 165,227,479	\$ 112,076,223	\$ 277,303,702	\$ 45,241,130	16.31%

(1) Street Lighting fund is part of Electric Capital Improvement Funds

Fund Reserves

By policy, City Council established the City's General Contingency Reserve, under which reserves for Budget Stabilization and Capital Projects were established.

- Budget Stabilization Reserve is set aside for weathering economic downturns, emergency financial crisis, or disaster situations. The reserve target is equal to the expenditures of the City's General Fund operations for three months (90-day or 25% General Fund Adopted Operating Budget). In FY 2022/23, the City Council approved an exception to the policy to allow the Reserve to drop below the 25% level.
- Capital Projects Reserve earmarks funds for the Capital Improvement Program.

Other General Reserves and Enterprise Fund Reserves included in this report are highlighted as follows:

- Technology Fee Reserve is set aside to update and/or replace the City's aging technology and to ensure internal controls are in compliance with current business standard and legal requirements.
- Land Sale Reserve is net proceeds from the sale of City-owned land, with interest earned on these funds available to be appropriated for General Fund operating expenditures. This reserve is available for appropriation by City Council action.
- The Electric Utility Rate Stabilization Reserve and Operations and Maintenance Reserve ensure sufficient operating cash is available to cover day-to-day expenses, address unforeseen cost increases or revenue shortfalls, and ensure debt service coverage.
- The Replacement and Improvement Reserve in the Water and Sewer Utility Funds is for future capital improvement.

The table below summarizes select reserve balances.

CITY OF SANTA CLARA
RESERVE BALANCES
April 30, 2023

DETAIL OF SELECTED FUND RESERVE BALANCES:			
	GENERAL FUND	ELECTRIC	WATER
Budget Stabilization Reserve	\$ 40,851,099		
Capital Projects Reserve	11,879,656		
Land Sale Reserve	18,481,037		
Technology Fee Reserve	1,925,791		
Electric Rate Stabilization Fund Reserve		\$ 48,776,613	
Electric Operations and Maintenance Reserve		118,765,556	
Replacement & Improvement			\$ 303,090
TOTALS	\$ 73,137,583	\$ 167,542,169	\$ 303,090

City of Santa Clara

Financial Status Report as of April 30, 2023

Long-Term Interfund Advances

On March 21, 2023, as part of the January Monthly Financial Report, the City Council approved a budget action transferring the remaining balance of the Parks and Recreation Facilities loan for the Reed and Grant Sports Park to the Land Sale Reserve. There are currently no outstanding balances for interfund advances.

Donations to the City of Santa Clara

Donations received by department during the month of April 2023 and for fiscal year 2022/23 are shown in the table below.

		Fiscal Year 2022/23	
Department	Apr-23	Year To Date	Designated Use
City Manager's Office	\$ 25	\$ 100	Help Your Neighbor
Parks & Recreation	-	2,771	Case Management
Parks & Recreation	287	2,184	Roberta Jones Jr. Theatre
Parks & Recreation	-	30,600	Wade Brummal
TOTALS	\$ 312	\$ 35,655	



City of Santa Clara

The Center of What's Possible

MONTHLY INVESTMENT REPORT

April 2023

City of Santa Clara

Monthly Investment Report

TABLE OF CONTENTS

		Page #
1	Summary of Investment Portfolio	1
2	Summary of Investments	5
3	Investment Maturity Distribution Schedule	6
4	Attachment A: Investment Inventory With Market Value	7

CITY OF SANTA CLARA SUMMARY OF INVESTMENT PORTFOLIO

All securities held by the City of Santa Clara as of April 30, 2023 were in compliance with the City's Investment Policy Statement regarding current market strategy and long-term goals and objectives. All securities held are rated A or higher by two nationally recognized rating agencies. There is adequate cash flow and maturity of investments to meet the City's needs for the next six months.

The following table provides the breakdown of the total portfolio among the City, the Sports and Open Space Authority (SOSA), and the Housing Authority (HA) as of April 30, 2023.

	<u>COST VALUE</u>	<u>PERCENTAGE</u>
City	\$875,578,254	99.49%
SOSA	3,280	0.00%
HA	<u>4,454,111</u>	<u>0.51%</u>
Unrestricted	\$880,035,645	<u>100.00%</u>
Restricted Bond Proceeds	<u>2,211,943</u>	
Total Investments	<u>\$882,247,588</u>	

On April 30, 2023 the cost value and market value of the City's unrestricted pooled investment portfolio were \$880,035,645 and \$851,483,944 respectively.

Investment Strategy and Market Update

Consumer prices (CPI) rose 5.0% in March from a year ago and a full percentage point from the 6.0% reading in February. The pace of price increases in March was slowed by gasoline prices, which fell 17% year-over-year. Core inflation, which strips out food and energy, increased 0.1% to 5.6%. Prices remain elevated for food, transportation, shelter and new vehicles, underscoring the persistent challenge for the Fed.

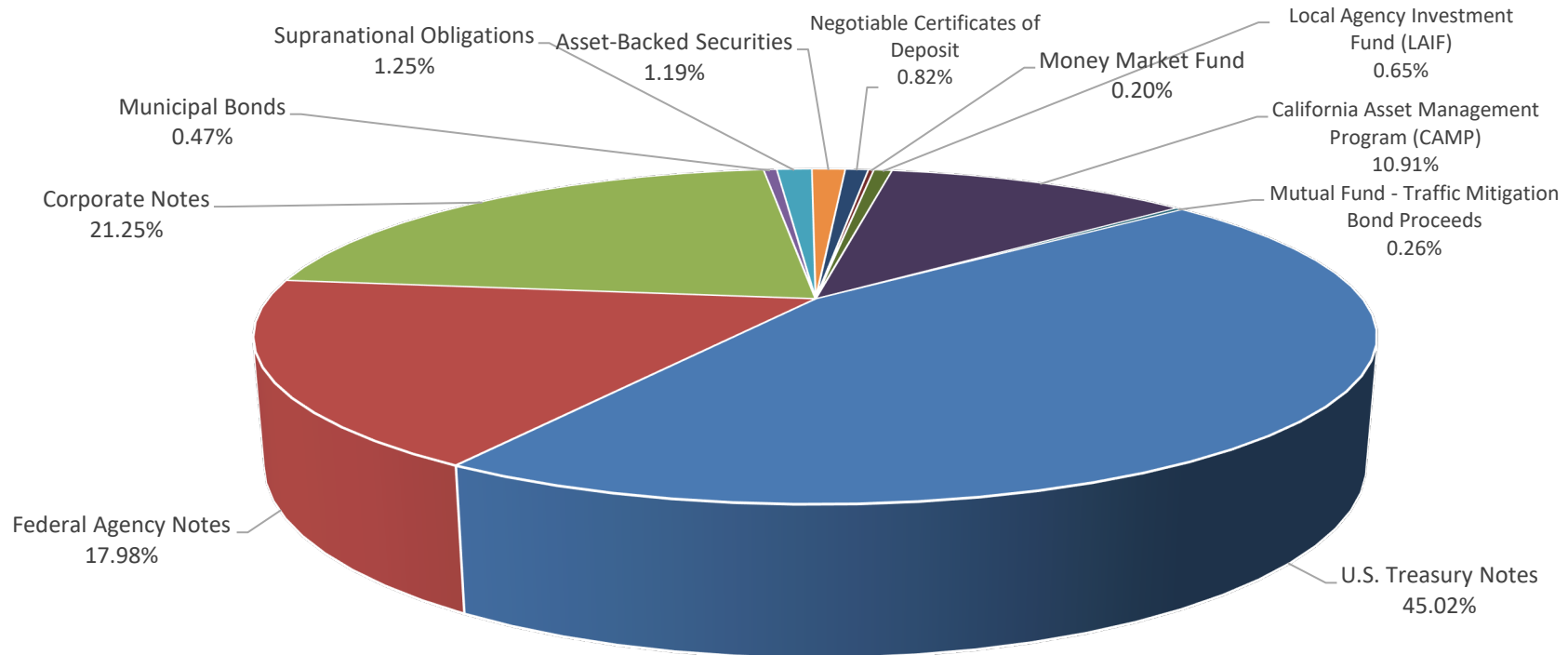
The April employment report showed job gains of 253,000, firmly outpacing expectations of 185,000 and reinforcing the strength of labor markets. The unemployment rate ticked lower to 3.4%, matching its 40-year low, highlighting just how far the labor market is from the Fed's March projections of 4.5% by year-end 2023.

After a historical plunge in March, the U.S. Treasury yield curve inverted further in April as shorter tenors (less than one year) increased, while those beyond two years declined by 5 to 10 bps.

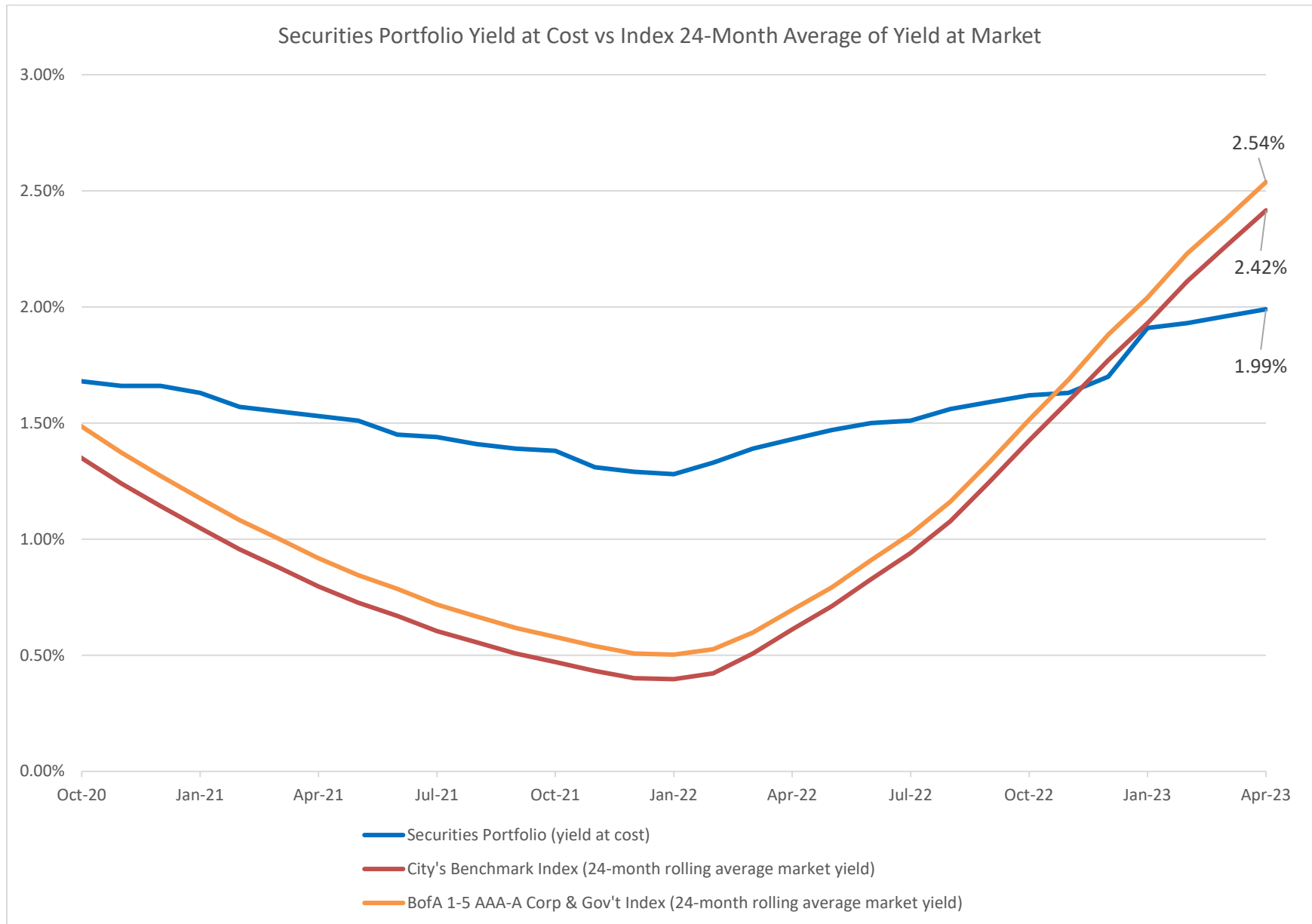
The benchmark 3-month, 2-year, and 5-year U.S. Treasury yields finished the month at 5.03%, 4.00%, and 3.48%, moving up 34, down 2, and down 9 bps during April, respectively.

The City's investment strategy for April 2022 was to invest funds not required to meet current obligations, in securities listed in the prevailing Investment Policy Statement, with maturities not to exceed five years from date of purchase. This strategy ensures safety of the City's funds, provides liquidity to meet the City's cash needs, and earns a reasonable portfolio return. PFM Asset Management LLC began actively managing the City's securities portfolio on September 1, 2020.

As of April 30, 2023, 45.02% of the City's portfolio consists of U.S. Treasury Notes, 21.25% consists of investment grade Corporate Notes, 17.98% consists of Federal Agencies, 10.91% consists of California Asset Management Program (CAMP), 1.25% consists of investment grade Supranational Obligations, 1.19% consists of investment grade Asset-Back Securities, 0.82% consists of Negotiable Certificates of Deposit, 0.65% consists of Local Agency Investment Fund (LAIF), and 0.47% consists of investment grade Municipal Bonds. In addition, City bond proceeds are invested in separate funds and are not included in the calculation of the City's portfolio yield.



The City's securities portfolio is benchmarked against the ICE BAML 1-5 US Treasury Index.



The following table summarizes the investment yields other information of the City's investment portfolio components, along with comparable-maturity market indices. Also shown are the monthly interest income and aggregate year-to-date income.

	Current Month 4/30/2023
Investment Yield	
Liquidity Portfolio ¹	4.81%
<i>LAIF average monthly yield</i>	2.87%
Securities Portfolio ²	1.99%
<i>ICE BAML 1-5 US Treasury Index (24-month rolling average market yield)</i>	2.42%
<i>ICE BAML 1-5 AAA-A US Corporate & Government Index (24-month rolling average market yield)</i>	2.54%
City Portfolio (Liquidity + Securities)	2.33%
Investment Total Return*	
Securities Portfolio	0.46%
<i>ICE BAML 1-5 US Treasury Index</i>	0.42%
<i>ICE BAML 1-5 AAA-A US Corporate & Government Index</i>	0.47%
Average Maturity of Investments (in years)	
Liquidity Portfolio ¹	0.08
Securities Portfolio ²	2.33
City Portfolio (Liquidity + Securities)	2.04
<i>ICE BAML 1-5 US Treasury Index</i>	2.64
<i>ICE BAML 1-5 AAA-A US Corporate & Government Index</i>	2.65
Interest Income Current Month ³	\$ 920,842
Interest Income Fiscal Year-To-Date ³	\$ 11,509,374

1. Consists of CAMP, LAIF, Dreyfus Traffic Mitigation Fund, & Principal Sweep Account

2. Core long term portfolio managed by PFM Asset Management

3. Cash basis

* Total rate of return including earnings, distributions, and capital appreciation/depreciation of all portfolio assets

CITY OF SANTA CLARA

SUMMARY OF INVESTMENTS APRIL 30, 2023

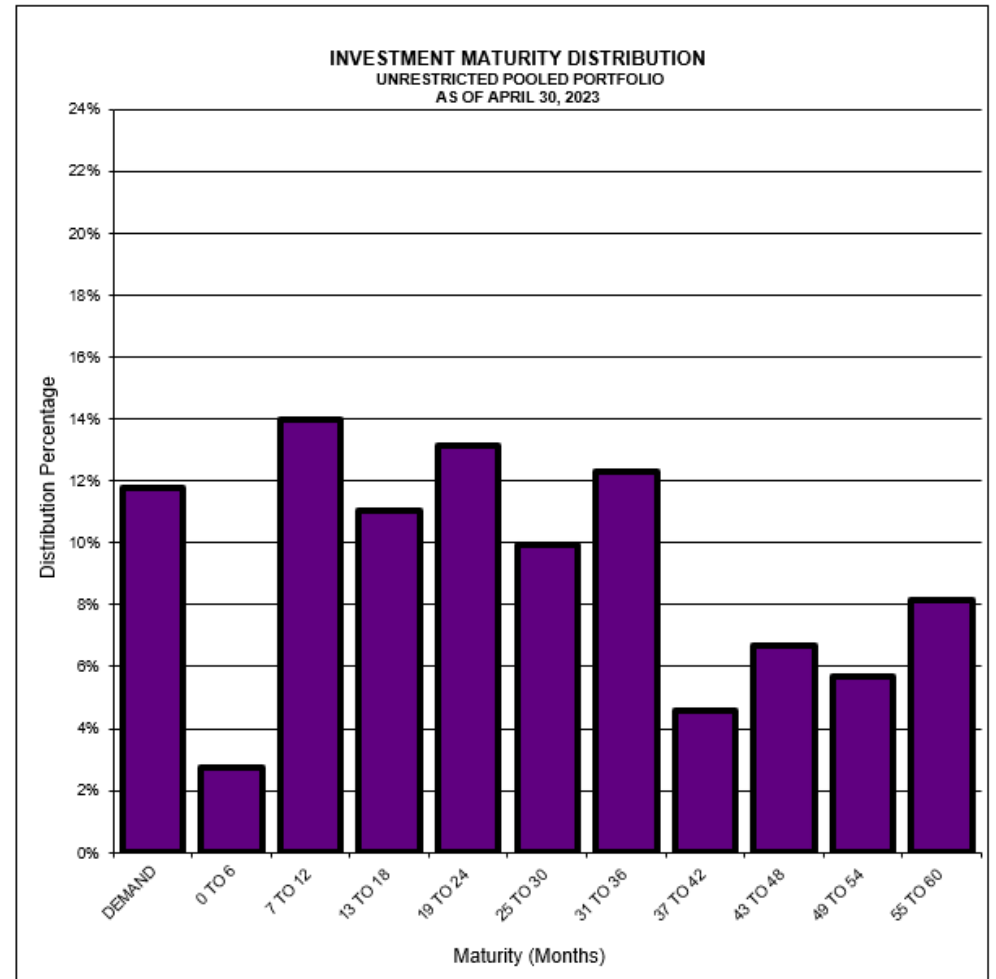
<u>INVESTMENT TYPE</u>	<u>COST VALUE</u>	<u>% OF PORTFOLIO</u>	<u>PER INVESTMENT POLICY</u>
U.S. Treasury Notes	397,210,088	45.02%	No Limit
Federal Agency Notes	158,620,156	17.98%	80%
Corporate Notes	187,507,229	21.25%	25%
Municipal Bonds	4,145,000	0.47%	20%
Supranational Obligations	11,056,812	1.25%	20%
Asset-Backed Securities	10,506,096	1.19%	10%
Negotiable Certificates of Deposit	7,270,000	0.82%	30%
Money Market Fund	1,723,087	0.20%	10% Per Fund
Local Agency Investment Fund (LAIF)	5,716,605	0.65%	\$75 M
California Asset Management Program (CAMP)	96,280,572	10.91%	No Limit
Mutual Fund - Traffic Mitigation Bond Proceeds	2,211,943	0.26%	10% Per Fund
TOTAL INVESTMENTS	\$ 882,247,588	100.00%	

**INVESTMENT MATURITY DISTRIBUTION
AS OF APRIL 30, 2023
UNRESTRICTED POOLED PORTFOLIO**

MATURITY (IN MONTHS)	COST VALUE	NUMBER OF INVESTMENTS	DISTRIBUTION
DEMAND	\$ 103,720,263 (a)	3	11.79%
0 TO 6	24,113,211	7	2.74%
7 TO 12	123,214,153	23	14.00%
13 TO 18	97,226,855	17	11.05%
19 TO 24	115,646,602	20	13.14%
25 TO 30	87,342,168	16	9.92%
31 TO 36	108,262,142	23	12.30%
37 TO 42	40,517,888	8	4.60%
43 TO 48	58,640,199	13	6.66%
49 TO 54	49,882,451	8	5.67%
55 TO 60	71,469,713	9	8.13%
TOTAL	<u>\$ 880,035,645</u>	<u>147</u>	<u>100.00%</u>

Average Maturity of Unrestricted Pool: 2.04 Years

(a) \$20 million is earmarked for the City's Electric Utility power-trading.



City of Santa Clara Monthly Report

4/30/2023

Description	Issue Date	Coupon Rate	Maturity Date	CUSIP	Par Value	S&P Rating	Settle Date	Cost Value	YTM at Cost	Market Value	Unrealized G/L
UNITED STATES TREASURY	10/15/2020	0.125%	10/15/2023	91282CAP6	5,260,000.00	AA+	3/26/2021	5,248,288.28	0.21%	5,147,015.20	-101,273.08
UNITED STATES TREASURY	10/31/2016	1.625%	10/31/2023	912828T91	5,000,000.00	AA+	1/25/2019	4,787,695.31	2.58%	4,919,750.00	132,054.69
UNITED STATES TREASURY	11/30/2018	2.875%	11/30/2023	9128285P1	9,745,000.00	AA+	6/23/2021	10,349,875.20	0.32%	9,634,978.95	-714,896.25
UNITED STATES TREASURY	11/30/2016	2.125%	11/30/2023	912828U57	10,000,000.00	AA+	2/28/2019	10,251,562.50	1.57%	9,837,500.00	-414,062.50
UNITED STATES TREASURY	1/3/2017	2.250%	12/31/2023	912828V23	5,000,000.00	AA+	3/13/2019	4,957,812.50	2.44%	4,913,300.00	-44,512.50
UNITED STATES TREASURY	1/15/2021	0.125%	1/15/2024	91282CBE0	5,000,000.00	AA+	3/26/2021	4,981,445.31	0.26%	4,835,550.00	-145,895.31
UNITED STATES TREASURY	1/15/2021	0.125%	1/15/2024	91282CBE0	2,510,000.00	AA+	3/31/2021	2,497,744.14	0.30%	2,427,446.10	-70,298.04
UNITED STATES TREASURY	1/15/2021	0.125%	1/15/2024	91282CBE0	11,000,000.00	AA+	6/11/2021	10,972,500.00	0.22%	10,638,210.00	-334,290.00
UNITED STATES TREASURY	1/15/2021	0.125%	1/15/2024	91282CBE0	5,525,000.00	AA+	7/14/2021	5,497,375.00	0.33%	5,343,282.75	-154,092.25
UNITED STATES TREASURY	1/31/2019	2.500%	1/31/2024	9128285Z9	5,000,000.00	AA+	4/14/2020	5,407,421.88	0.34%	4,911,350.00	-496,071.88
UNITED STATES TREASURY	2/28/2019	2.375%	2/29/2024	9128286G0	5,395,000.00	AA+	4/25/2023	5,285,835.55	4.84%	5,284,780.15	-1,055.40
UNITED STATES TREASURY	2/28/2017	2.125%	2/29/2024	912828W48	1,625,000.00	AA+	4/15/2021	1,637,941.42	0.31%	1,587,933.75	-50,007.67
UNITED STATES TREASURY	4/15/2021	0.375%	4/15/2024	91282CBV2	5,415,000.00	AA+	10/15/2021	5,397,443.55	0.51%	5,191,198.05	-206,245.50
UNITED STATES TREASURY	4/30/2019	2.250%	4/30/2024	9128286R6	3,825,000.00	AA+	3/25/2022	3,827,838.87	2.21%	3,728,036.25	-99,802.62
UNITED STATES TREASURY	5/1/2017	2.000%	4/30/2024	912828X70	5,000,000.00	AA+	5/16/2019	4,952,734.38	2.20%	4,861,900.00	-90,834.38
UNITED STATES TREASURY	5/15/2014	2.500%	5/15/2024	912828WJ5	6,050,000.00	AA+	8/16/2019	6,332,174.65	1.48%	5,910,305.50	-421,869.15
UNITED STATES TREASURY	6/30/2019	1.750%	6/30/2024	9128286Z8	7,250,000.00	AA+	12/12/2019	7,253,398.44	1.74%	7,013,795.00	-239,603.44
UNITED STATES TREASURY	6/30/2017	2.000%	6/30/2024	912828XX3	5,000,000.00	AA+	8/29/2019	5,136,328.13	1.41%	4,849,600.00	-286,728.13
UNITED STATES TREASURY	7/15/2021	0.375%	7/15/2024	91282CCL3	5,250,000.00	AA+	9/10/2021	5,246,718.75	0.40%	4,991,595.00	-255,123.75
UNITED STATES TREASURY	7/31/2017	2.125%	7/31/2024	9128282N9	5,000,000.00	AA+	9/10/2019	5,133,315.75	1.56%	4,851,350.00	-281,965.75
UNITED STATES TREASURY	8/31/2017	1.875%	8/31/2024	9128282U3	2,985,000.00	AA+	3/10/2020	3,149,640.66	0.62%	2,884,136.85	-265,503.81
UNITED STATES TREASURY	8/31/2019	1.250%	8/31/2024	912828YE4	4,750,000.00	AA+	1/5/2021	4,928,867.19	0.21%	4,550,357.50	-378,509.69
UNITED STATES TREASURY	10/31/2017	2.250%	10/31/2024	9128283D0	10,000,000.00	AA+	11/18/2019	10,290,625.00	1.64%	9,692,200.00	-598,425.00
UNITED STATES TREASURY	11/30/2017	2.125%	11/30/2024	9128283J7	5,000,000.00	AA+	1/6/2020	5,118,945.31	1.62%	4,834,550.00	-284,395.31
UNITED STATES TREASURY	1/2/2018	2.250%	12/31/2024	9128283P3	10,000,000.00	AA+	1/7/2020	10,300,781.25	1.62%	9,678,500.00	-622,281.25
UNITED STATES TREASURY	1/15/2022	1.125%	1/15/2025	91282CDS7	2,095,000.00	AA+	4/12/2022	2,007,026.37	2.71%	1,988,364.50	-18,661.87
UNITED STATES TREASURY	1/31/2020	1.375%	1/31/2025	912828Z52	5,000,000.00	AA+	4/22/2020	5,238,671.88	0.37%	4,764,650.00	-474,021.88
UNITED STATES TREASURY	1/31/2020	1.375%	1/31/2025	912828Z52	1,950,000.00	AA+	5/7/2020	2,013,146.48	0.50%	1,858,213.50	-154,932.98
UNITED STATES TREASURY	2/28/2018	2.750%	2/28/2025	9128283Z1	6,200,000.00	AA+	3/6/2020	6,850,947.82	0.61%	6,047,914.00	-802,843.82
UNITED STATES TREASURY	8/31/2020	0.250%	8/31/2025	91282CAJ0	4,120,000.00	AA+	8/2/2021	4,075,581.25	0.52%	3,786,074.00	-289,507.25
UNITED STATES TREASURY	10/31/2020	0.250%	10/31/2025	91282CAT8	5,400,000.00	AA+	10/7/2021	5,285,882.83	0.78%	4,939,758.00	-346,124.83
UNITED STATES TREASURY	10/31/2020	0.250%	10/31/2025	91282CAT8	5,510,000.00	AA+	6/7/2022	5,024,216.02	3.00%	5,040,382.70	16,166.68
UNITED STATES TREASURY	11/30/2020	0.375%	11/30/2025	91282CAZ4	4,450,000.00	AA+	11/4/2021	4,327,625.00	1.07%	4,075,221.00	-252,404.00
UNITED STATES TREASURY	12/31/2020	0.375%	12/31/2025	91282CBC4	3,820,000.00	AA+	5/3/2021	3,751,956.25	0.76%	3,495,758.40	-256,197.85
UNITED STATES TREASURY	1/31/2021	0.375%	1/31/2026	91282CBH3	8,025,000.00	AA+	11/30/2021	7,817,478.52	1.01%	7,314,948.00	-502,530.52
UNITED STATES TREASURY	1/31/2021	0.375%	1/31/2026	91282CBH3	4,050,000.00	AA+	1/6/2022	3,906,351.56	1.27%	3,691,656.00	-214,695.56
UNITED STATES TREASURY	1/31/2021	0.375%	1/31/2026	91282CBH3	7,735,000.00	AA+	2/25/2022	7,305,949.22	1.84%	7,050,607.20	-255,342.02
UNITED STATES TREASURY	1/31/2021	0.375%	1/31/2026	91282CBH3	8,710,000.00	AA+	5/3/2022	7,905,345.70	3.00%	7,939,339.20	33,993.50
UNITED STATES TREASURY	2/28/2021	0.500%	2/28/2026	91282CBQ3	3,575,000.00	AA+	8/31/2021	3,574,577.43	0.70%	3,263,581.75	-310,995.68
UNITED STATES TREASURY	2/28/2021	0.500%	2/28/2026	91282CBQ3	5,175,000.00	AA+	12/7/2021	5,035,517.58	1.15%	4,724,205.75	-311,311.83
UNITED STATES TREASURY	5/31/2021	0.750%	5/31/2026	91282CCF6	5,860,000.00	AA+	3/21/2022	5,520,989.84	2.20%	5,356,157.20	-164,832.64
UNITED STATES TREASURY	5/31/2021	0.750%	5/31/2026	91282CCF6	9,250,000.00	AA+	6/8/2022	8,477,480.47	2.99%	8,454,685.00	-22,795.47
UNITED STATES TREASURY	8/15/2016	1.500%	8/15/2026	9128282A7	5,350,000.00	AA+	8/15/2022	5,033,388.67	3.08%	4,989,945.00	-43,443.67
UNITED STATES TREASURY	9/30/2021	0.875%	9/30/2026	91282CCZ2	8,500,000.00	AA+	4/5/2022	7,878,769.53	2.61%	7,747,325.00	-131,444.53
UNITED STATES TREASURY	10/31/2021	1.125%	10/31/2026	91282CDG3	5,700,000.00	AA+	8/8/2022	5,267,601.56	3.05%	5,227,983.00	-39,618.56
UNITED STATES TREASURY	11/15/2016	2.000%	11/15/2026	912828U24	8,840,000.00	AA+	6/8/2022	8,472,242.19	3.01%	8,356,894.00	-115,348.19
UNITED STATES TREASURY	12/31/2021	1.250%	12/31/2026	91282CDQ1	5,340,000.00	AA+	4/14/2022	5,000,617.97	2.69%	4,905,697.80	-94,920.17

City of Santa Clara Monthly Report

4/30/2023

Description	Issue Date	Coupon Rate	Maturity Date	CUSIP	Par Value	S&P Rating	Settle Date	Cost Value	YTM at Cost	Market Value	Unrealized G/L
UNITED STATES TREASURY	2/15/2017	2.250%	2/15/2027	912828V98	2,100,000.00	AA+	4/20/2022	2,040,691.41	2.88%	1,999,515.00	-41,176.41
UNITED STATES TREASURY	2/15/2017	2.250%	2/15/2027	912828V98	5,400,000.00	AA+	6/13/2022	5,159,109.38	3.29%	5,141,610.00	-17,499.38
UNITED STATES TREASURY	2/15/2017	2.250%	2/15/2027	912828V98	7,910,000.00	AA+	7/7/2022	7,705,452.34	2.85%	7,531,506.50	-173,945.84
UNITED STATES TREASURY	3/31/2022	2.500%	3/31/2027	91282CEF4	940,000.00	AA+	11/30/2022	883,159.38	4.03%	902,033.40	18,874.02
UNITED STATES TREASURY	4/30/2020	0.500%	4/30/2027	912828ZN3	7,000,000.00	AA+	8/3/2022	6,262,812.50	2.89%	6,201,300.00	-61,512.50
UNITED STATES TREASURY	5/15/2017	2.375%	5/15/2027	912828X88	5,400,000.00	AA+	8/8/2022	5,248,546.88	3.01%	5,154,462.00	-94,084.88
UNITED STATES TREASURY	6/30/2020	0.500%	6/30/2027	912828ZV5	5,675,000.00	AA+	8/15/2022	5,034,789.06	3.00%	5,004,442.00	-30,347.06
UNITED STATES TREASURY	7/31/2022	2.750%	7/31/2027	91282CFB2	10,800,000.00	AA+	9/14/2022	10,392,046.88	3.60%	10,448,568.00	56,521.12
UNITED STATES TREASURY	8/15/2017	2.250%	8/15/2027	9128282R0	11,115,000.00	AA+	9/6/2022	10,537,975.20	3.40%	10,538,464.95	489.75
UNITED STATES TREASURY	9/30/2022	4.125%	9/30/2027	91282CFM8	3,785,000.00	AA+	11/3/2022	3,760,308.79	4.27%	3,870,616.70	110,307.91
UNITED STATES TREASURY	10/31/2020	0.500%	10/31/2027	91282CAU5	21,480,000.00	AA+	1/6/2023	18,292,401.56	3.91%	18,770,727.60	478,326.04
UNITED STATES TREASURY	10/31/2022	4.125%	10/31/2027	91282CFU0	10,930,000.00	AA+	12/8/2022	11,081,995.31	3.81%	11,183,576.00	101,580.69
UNITED STATES TREASURY	10/31/2022	4.125%	10/31/2027	91282CFU0	5,100,000.00	AA+	12/13/2022	5,165,343.75	3.83%	5,218,320.00	52,976.25
UNITED STATES TREASURY	10/31/2022	4.125%	10/31/2027	91282CFU0	4,750,000.00	AA+	1/31/2023	4,833,310.55	3.72%	4,860,200.00	26,889.45
UNITED STATES TREASURY	12/31/2022	3.875%	12/31/2027	91282CGC9	8,255,000.00	AA+	1/31/2023	8,320,459.57	3.70%	8,373,954.56	53,494.99
UNITED STATES TREASURY	12/31/2022	3.875%	12/31/2027	91282CGC9	4,850,000.00	AA+	2/2/2023	4,906,078.13	3.62%	4,919,888.50	13,810.37
UNITED STATES TREASURY	12/31/2022	3.875%	12/31/2027	91282CGC9	7,325,000.00	AA+	2/8/2023	7,333,583.98	3.85%	7,430,553.24	96,969.26
UNITED STATES TREASURY	1/31/2021	0.750%	1/31/2028	91282CBJ9	5,815,000.00	AA+	2/7/2023	5,009,758.79	3.83%	5,112,199.10	102,440.31
UNITED STATES TREASURY	2/28/2023	4.000%	2/29/2028	91282CGP0	6,600,000.00	AA+	3/7/2023	6,526,781.25	4.25%	6,745,398.00	218,616.75
U.S. Treasury Bond / Note				Subtotal	406,470,000.00			397,210,087.87		386,945,317.60	-10,264,770.27
FANNIE MAE	11/25/2020	0.250%	11/27/2023	3135G06H1	4,950,000.00	AA+	11/25/2020	4,944,357.00	0.29%	4,818,775.50	-125,581.50
FANNIE MAE	11/25/2020	0.250%	11/27/2023	3135G06H1	5,225,000.00	AA+	1/22/2021	5,230,799.75	0.21%	5,086,485.25	-144,314.50
FANNIE MAE	7/8/2019	1.750%	7/2/2024	3135G0V75	15,000,000.00	AA+	12/18/2019	15,566,089.75	0.90%	14,519,700.00	-1,046,389.75
FANNIE MAE	1/10/2020	1.625%	1/7/2025	3135G0X24	7,500,000.00	AA+	1/22/2020	7,499,025.00	1.63%	7,169,025.00	-330,000.00
FANNIE MAE	4/24/2020	0.625%	4/22/2025	3135G03U5	10,000,000.00	AA+	5/7/2020	10,050,600.00	0.52%	9,329,500.00	-721,100.00
FANNIE MAE	11/12/2020	0.500%	11/7/2025	3135G06G3	1,860,000.00	AA+	12/29/2020	1,864,929.00	0.44%	1,708,503.00	-156,426.00
FNMA Medium Term Note				Subtotal	44,535,000.00			45,155,800.50		42,631,988.75	-2,523,811.75
FEDERAL FARM CREDIT BANKS	10/2/2018	3.050%	10/2/2023	3133EJD48	7,575,000.00	AA+	11/27/2018	7,583,620.35	3.02%	7,512,733.50	-70,886.85
FEDERAL FARM CREDIT BANKS	11/1/2017	2.200%	11/1/2023	3133EHN25	2,965,000.00	AA+	6/26/2019	3,006,094.90	1.87%	2,916,374.00	-89,720.90
FEDERAL FARM CREDIT BANKS	2/27/2019	2.610%	2/27/2024	3133EKBW5	5,000,000.00	AA+	3/20/2019	5,033,150.00	2.47%	4,908,500.00	-124,650.00
FEDERAL FARM CREDIT BANKS	4/22/2019	2.450%	7/22/2024	3133EKHV1	5,000,000.00	AA+	9/4/2019	5,250,650.00	1.38%	4,877,450.00	-373,200.00
FEDERAL FARM CREDIT BANKS	11/1/2019	1.650%	11/1/2024	3133EK4Y9	5,000,000.00	AA+	11/8/2019	4,962,850.00	1.81%	4,802,050.00	-160,800.00
FEDERAL FARM CREDIT BANKS	1/23/2020	1.650%	1/23/2025	3133ELJM7	7,320,000.00	AA+	5/18/2020	7,689,367.20	0.56%	6,986,281.20	-703,086.00
FEDERAL FARM CREDIT BANKS	5/14/2020	0.500%	5/14/2025	3133ELZM9	10,000,000.00	AA+	5/15/2020	9,982,800.00	0.53%	9,298,200.00	-684,600.00
FEDERAL FARM CREDIT BANKS	6/9/2020	0.500%	6/9/2025	3133ELH23	10,000,000.00	AA+	6/12/2020	9,997,540.00	0.50%	9,284,500.00	-713,040.00
FFCB Medium Term Note				Subtotal	52,860,000.00			53,506,072.45		50,586,088.70	-2,919,983.75
FEDERAL FARM CREDIT BANKS	7/2/2020	0.500%	7/2/2025	3133ELR71	10,000,000.00	AA+	7/14/2020	10,017,640.00	0.46%	9,257,100.00	-760,540.00
FFCB Coupon Note				Subtotal	10,000,000.00			10,017,640.00		9,257,100.00	-760,540.00
FEDERAL HOME LOAN BANKS	12/9/2013	3.375%	12/8/2023	3130A0F70	5,000,000.00	AA+	1/8/2019	5,147,870.00	2.73%	4,956,100.00	-191,770.00
FEDERAL HOME LOAN BANKS	1/16/2015	2.250%	12/8/2023	3130A3VC5	5,000,000.00	AA+	3/12/2020	5,282,425.00	0.72%	4,923,950.00	-358,475.00
FEDERAL HOME LOAN BANKS	5/8/2014	2.875%	6/14/2024	3130A1XJ2	5,000,000.00	AA+	11/20/2019	5,270,205.00	1.64%	4,901,800.00	-368,405.00
FEDERAL HOME LOAN BANKS	11/6/2014	2.750%	12/13/2024	3130A3GE8	5,000,000.00	AA+	3/12/2020	5,461,300.00	0.77%	4,866,100.00	-595,200.00

City of Santa Clara Monthly Report

4/30/2023

Description	Issue Date	Coupon Rate	Maturity Date	CUSIP	Par Value	S&P Rating	Settle Date	Cost Value	YTM at Cost	Market Value	Unrealized G/L
FHLB Medium Term Note				Subtotal	20,000,000.00			21,161,800.00		19,647,950.00	-1,513,850.00
FREDDIE MAC	9/4/2020	0.250%	9/8/2023	3137EAEW5	1,640,000.00	AA+	9/4/2020	1,640,761.21	0.24%	1,611,874.00	-28,887.21
FREDDIE MAC	9/4/2020	0.250%	9/8/2023	3137EAEW5	4,295,000.00	AA+	9/4/2020	4,293,582.65	0.26%	4,221,340.75	-72,241.90
FREDDIE MAC	10/16/2020	0.125%	10/16/2023	3137EAEY1	3,270,000.00	AA+	10/16/2020	3,257,802.90	0.25%	3,196,653.90	-61,149.00
FREDDIE MAC	2/14/2020	1.500%	2/12/2025	3137EAEPO	5,000,000.00	AA+	5/20/2020	5,226,960.00	0.53%	4,767,850.00	-459,110.00
FREDDIE MAC	8/30/2022	4.050%	8/28/2025	3134GXSS4	5,000,000.00	AA+	8/30/2022	4,998,000.00	4.06%	4,921,050.00	-76,950.00
FREDDIE MAC	9/25/2020	0.375%	9/23/2025	3137EAEX3	9,390,000.00	AA+	9/25/2020	9,361,736.10	0.44%	8,609,784.90	-751,951.20
FHLMC Medium Term Note				Subtotal	28,595,000.00			28,778,842.86		27,328,553.55	-1,450,289.31
INTER-AMERICAN DEVELOPMENT BANK	9/23/2021	0.500%	9/23/2024	4581X0DZ8	11,065,000.00	AAA	9/23/2021	11,056,811.90	0.52%	10,483,866.20	-572,945.70
Supranational				Subtotal	11,065,000.00			11,056,811.90		10,483,866.20	-572,945.70
CALIFORNIA EARTHQUAKE AUTHORITY	11/24/2020	1.477%	7/1/2023	13017HAK2	1,430,000.00	NR	11/24/2020	1,430,000.00	1.48%	1,420,547.70	-9,452.30
LOS ANGELES COMMUNITY COLLEGE DISTRICT C	11/10/2020	0.773%	8/1/2025	54438CYK2	2,715,000.00	AA+	11/10/2020	2,715,000.00	0.77%	2,497,012.65	-217,987.35
Municipals				Subtotal	4,145,000.00			4,145,000.00		3,917,560.35	-227,439.65
3M COMPANY	9/14/2018	3.250%	2/14/2024	88579YBB6	5,000,000.00	A	11/29/2021	5,241,250.00	1.03%	4,936,650.00	-304,600.00
3M COMPANY	3/27/2020	2.650%	4/15/2025	88579YBM2	2,560,000.00	A	4/25/2022	2,511,616.00	3.32%	2,465,484.80	-46,131.20
ADOBE INC	1/26/2015	3.250%	2/1/2025	00724FAC5	4,000,000.00	A+	1/26/2022	4,183,680.00	1.68%	3,924,320.00	-259,360.00
ALPHABET INC	8/9/2016	1.998%	8/15/2026	02079KAC1	5,740,000.00	AA+	1/30/2023	5,354,386.80	4.05%	5,418,502.60	64,115.80
AMAZON.COM INC	5/12/2021	0.450%	5/12/2024	023135BW5	245,000.00	AA	5/12/2021	302,801.19	0.50%	234,327.80	-68,473.39
AMAZON.COM INC	5/12/2021	0.450%	5/12/2024	023135BW5	4,000,000.00	AA	3/14/2022	3,874,280.00	1.94%	3,825,760.00	-48,520.00
AMAZON.COM INC	4/13/2022	3.300%	4/13/2027	023135CF1	6,715,000.00	AA	4/25/2022	6,672,964.10	3.44%	6,527,315.75	-145,648.35
APPLE INC	11/13/2017	2.750%	1/13/2025	037833DF4	5,000,000.00	AA+	3/9/2021	5,340,100.00	0.94%	4,876,200.00	-463,900.00
APPLE INC	11/13/2017	2.750%	1/13/2025	037833DF4	5,000,000.00	AA+	3/29/2021	5,355,200.00	0.84%	4,876,200.00	-479,000.00
BANK OF AMERICA	4/19/2016	3.500%	4/19/2026	06051GFX2	4,140,000.00	A-	1/25/2023	4,019,070.60	4.48%	4,023,252.00	4,181.40
BANK OF AMERICA CORP	3/22/2022	3.384%	4/2/2026	06051GKM0	5,000,000.00	A-	3/22/2022	5,005,100.00	3.36%	4,821,450.00	-183,650.00
BANK OF AMERICA CORP	4/22/2021	1.734%	7/22/2027	06051GJS9	1,420,000.00	A-	8/10/2022	1,281,251.80	3.92%	1,272,178.00	-9,073.80
BANK OF NY MELLON CORP	1/28/2021	0.750%	1/28/2026	06406RAQ0	9,000,000.00	A	2/10/2021	9,025,920.00	0.69%	8,123,220.00	-902,700.00
BLACKROCK INC	3/28/2017	3.200%	3/15/2027	09247XAN1	4,140,000.00	AA-	5/18/2022	4,085,352.00	3.50%	4,026,688.20	-58,663.80
BLACKROCK INC	3/28/2017	3.200%	3/15/2027	09247XAN1	4,140,000.00	AA-	5/18/2022	4,086,055.80	3.50%	4,026,688.20	-59,367.60
BRISTOL-MYERS SQUIBB CO	11/13/2020	0.750%	11/13/2025	110122DN5	5,725,000.00	A+	6/30/2021	5,672,673.50	0.96%	5,259,614.75	-413,058.75
CATERPILLAR FINANCIAL SERVIC	1/10/2022	0.950%	1/10/2024	14913R2S5	2,535,000.00	A	1/10/2022	2,534,594.40	0.96%	2,470,357.50	-64,236.90
CATERPILLAR FINANCIAL SERVIC	1/10/2022	0.950%	1/10/2024	14913R2S5	3,100,000.00	A	3/14/2022	3,045,409.00	1.94%	3,020,950.00	-24,459.00
ELI LILLY & CO	3/5/2015	2.750%	6/1/2025	532457BH0	5,415,000.00	A+	2/10/2022	5,559,255.60	1.91%	5,249,301.00	-309,954.60
HERSHEY COMPANY	8/21/2015	3.200%	8/21/2025	427866AU2	3,000,000.00	A	3/30/2022	3,014,040.00	3.05%	2,918,490.00	-95,550.00
HOME DEPOT INC	9/14/2017	2.800%	9/14/2027	437076BT8	7,805,000.00	A	1/27/2023	7,364,719.95	4.15%	7,413,110.95	48,391.00
HONEYWELL INTERNATIONAL	5/18/2020	1.350%	6/1/2025	438516CB0	5,000,000.00	A	9/8/2021	5,097,900.00	0.82%	4,703,400.00	-394,500.00
HONEYWELL INTERNATIONAL	5/18/2020	1.350%	6/1/2025	438516CB0	2,255,000.00	A	3/22/2022	2,181,960.55	2.41%	2,121,233.40	-60,727.15
JOHN DEERE CAPITAL CORP	6/17/2021	1.050%	6/17/2026	24422EVR7	5,000,000.00	A	12/8/2021	4,908,600.00	1.47%	4,560,150.00	-348,450.00
JOHNSON & JOHNSON	8/25/2020	0.550%	9/1/2025	478160CN2	5,000,000.00	AAA	9/3/2020	5,023,550.00	0.45%	4,616,800.00	-406,750.00
JPMORGAN CHASE & CO	9/16/2020	0.653%	9/16/2024	46647PBS4	2,675,000.00	A-	9/16/2020	2,675,000.00	0.65%	2,624,977.50	-50,022.50
JPMORGAN CHASE & CO	8/10/2021	0.768%	8/9/2025	46647PCM6	2,340,000.00	A-	8/10/2021	2,340,000.00	0.77%	2,199,997.80	-140,002.20

City of Santa Clara Monthly Report

4/30/2023

Description	Issue Date	Coupon Rate	Maturity Date	CUSIP	Par Value	S&P Rating	Settle Date	Cost Value	YTM at Cost	Market Value	Unrealized G/L
JPMORGAN CHASE & CO	3/13/2020	2.005%	3/13/2026	46647PBH8	2,800,000.00	A-	3/22/2022	2,712,500.00	2.84%	2,640,484.00	-72,016.00
JPMORGAN CHASE & CO	4/22/2021	1.578%	4/22/2027	46647PCB0	4,100,000.00	A-	8/10/2022	3,710,746.00	3.80%	3,714,805.00	4,059.00
MASTERCARD INC	12/3/2019	2.000%	3/3/2025	57636QAN4	5,000,000.00	A+	3/9/2021	5,213,450.00	0.91%	4,789,650.00	-423,800.00
MASTERCARD INC	12/3/2019	2.000%	3/3/2025	57636QAN4	5,000,000.00	A+	3/10/2022	4,990,800.00	2.06%	4,789,650.00	-201,150.00
MERCK & CO INC	3/7/2019	2.900%	3/7/2024	58933YAU9	5,375,000.00	A+	11/23/2021	5,623,916.25	0.85%	5,292,977.50	-330,938.75
MICROSOFT CORP	2/12/2015	2.700%	2/12/2025	594918BB9	5,000,000.00	AAA	3/9/2021	5,341,700.00	0.92%	4,873,200.00	-468,500.00
MICROSOFT CORP	11/3/2015	3.125%	11/3/2025	594918BJ2	5,100,000.00	AAA	1/25/2023	4,940,982.00	4.33%	4,990,299.00	49,317.00
NOVARTIS CAPITAL CORP	11/20/2015	3.000%	11/20/2025	66989HAJ7	10,000,000.00	AA-	1/31/2023	9,638,600.00	4.38%	9,692,300.00	53,700.00
QUALCOMM INC	5/20/2015	3.450%	5/20/2025	747525AF0	5,850,000.00	A	5/19/2022	5,860,588.50	3.39%	5,739,669.00	-120,919.50
STATE STREET BANK & TR	2/7/2022	1.746%	2/6/2026	857477BR3	1,115,000.00	A	2/7/2022	1,115,000.00	1.75%	1,049,750.20	-65,249.80
STATE STREET BANK & TR	10/29/2020	2.901%	3/30/2026	857477BM4	4,250,000.00	A	3/14/2022	4,275,372.50	2.74%	4,090,412.50	-184,960.00
TARGET CORP	1/24/2022	1.950%	1/15/2027	87612EBM7	990,000.00	A	1/24/2022	988,317.00	1.99%	920,977.20	-67,339.80
TARGET CORP	1/24/2022	1.950%	1/15/2027	87612EBM7	4,595,000.00	A	2/1/2022	4,567,889.50	2.08%	4,274,636.60	-293,252.90
TOYOTA MOTOR CREDIT CORP	1/11/2021	0.450%	1/11/2024	89236THU2	6,100,000.00	A+	1/11/2021	6,099,634.00	0.45%	5,911,205.00	-188,429.00
UNILEVER CAPITAL CORP	9/14/2020	0.375%	9/14/2023	904764BJ5	660,000.00	A+	9/14/2020	659,155.20	0.42%	647,988.00	-11,167.20
WAL-MART STORES INC	6/27/2018	3.550%	6/26/2025	931142ED1	5,700,000.00	AA	2/8/2022	6,011,847.00	1.87%	5,628,750.00	-383,097.00
Corporate Note				Subtotal	187,585,000.00			187,507,229.24		179,583,374.25	-7,923,854.99
CARMAX AUTO OWNER TRUST	4/21/2021	0.520%	2/17/2026	14314QAC8	1,798,033.36	AAA	4/21/2021	1,797,645.90	0.52%	1,734,706.63	-62,939.27
DISCOVER CARD EXECUTION											
NOTE TRUST	9/27/2021	0.580%	9/15/2026	254683CP8	2,100,000.00	AAA	9/27/2021	2,099,550.39	0.58%	1,976,331.00	-123,219.39
HONDA AUTO RECEIVABLES											
OWNER T	11/24/2021	0.880%	1/21/2026	43815GAC3	1,615,000.00	NR	11/24/2021	1,614,659.56	0.89%	1,542,502.65	-72,156.91
HYUNDAI AUTO RECEIVABLES											
TRUST	4/28/2021	0.380%	9/15/2025	44933LAC7	1,104,845.53	AAA	4/28/2021	1,104,729.30	0.38%	1,074,594.86	-30,134.44
HYUNDAI AUTO RECEIVABLES											
TRUST	11/17/2021	0.740%	5/15/2026	44935FAD6	1,245,000.00	AAA	11/17/2021	1,244,722.12	0.75%	1,190,444.10	-54,278.02
TOYOTA AUTO RECEIVABLES											
OWNER	9/27/2021	0.430%	1/15/2026	89239BAC5	2,645,000.00	AAA	9/27/2021	2,644,789.19	0.43%	2,540,231.55	-104,557.64
Asset-Backed Security				Subtotal	10,507,878.89			10,506,096.46		10,058,810.79	-447,285.67
TORONTO DOMINION BANK NY	10/31/2022	5.470%	10/25/2024	89115B6F2	7,270,000.00	A	10/31/2022	7,270,000.00	5.44%	7,323,071.00	53,071.00
Certificate of Deposit				Subtotal	7,270,000.00			7,270,000.00		7,323,071.00	53,071.00
PRINCIPAL PUBLIC DEPOSIT											
SWEEP PROGRAM		2.550%	5/1/2023	992995944	1,723,086.76		9/1/2020	1,723,086.76		1,723,086.76	-
LOCAL AGENCY INVESTMENT											
FUND		2.870%	5/1/2023		5,716,604.81		9/30/1997	5,716,604.81		5,716,604.81	-
CALIFORNIA ASSET											
MANAGEMENT PROGRAM		4.970%	5/1/2023		96,280,571.51		10/4/2022	96,280,571.51		96,280,571.51	-
DREYFUS TREASURY		4.710%	5/1/2023		2,211,943.16		10/31/1997	2,211,943.16		2,211,943.16	-
Cash Equivalent				Subtotal	105,932,206.24			105,932,206.24		105,932,206.24	-
Grand Total			Count	148	888,965,085.13			882,247,587.52		853,695,887.43	(28,551,700.09)

FY 2022/23 Budget Amendments

General Fund (001)			
Department/Item	Source of Funds	Use of Funds	Explanation
Transfer to the Vehicle Replacement Fund (Fire Department Truck)		141,000	Increases the transfer to the Vehicle Replacement Fund to address higher than anticipated costs for the purchase of a truck for the Fire Department. Funding of \$2.0 million was previously transferred as part of the FY 2021/22 Year End Close Report budget actions. The remaining funding is needed to purchase the truck based on the actual quote. This action ensures that a replacement truck will be in place according to the replacement timeline (five affirmative Council votes required for the use of unused balances) .
Fire Department - Other Fees for Services / Fire Department Salaries	284,500	284,500	Recognizes additional revenue of \$284,500 in fire plan review and inspection fees above the budgeted estimate and allocates these funds to the Fire Department overtime budget. Fees are related to expedited plan review and fire permit inspection services conducted by the Community Risk Reduction Division (five affirmative Council votes required to appropriate additional revenue) .
Fire Department - Other Fees for Services / Fire Department Salaries (Intel Reimbursements)	5,749	5,749	Recognizes \$5,748 in reimbursements from Intel and allocates these funds to the Fire Department. This reimburses costs for plan review and fire permit inspection services for Intel development and non-development related projects (five affirmative Council votes required to appropriate additional revenue) .
Fire Department - Other Agencies Revenue / Fire Department Salaries (EMS County Reimbursements)	188,200	188,200	Recognizes reimbursements from the County of Santa Clara for Advanced Life Support/ paramedic services provided by the Fire Department. This represents prior year payments received in FY 2022/23 that are recommended to be allocated to the Fire Department. The Fire Department supports the County Emergency Medical Services (EMS) system by providing a paramedic on its medical calls that are used in combination with the County-contracted ambulance company. The Fire Department is reimbursed for a portion of the cost to provide this service (five affirmative Council votes required to appropriate additional revenue) .

FY 2022/23 Budget Amendments

General Fund (001) (Cont'd.)

Department/Item	Source of Funds	Use of Funds	Explanation
Fire Department - Other Fees for Services / Materials/Services/Supplies (Ambulance Transport Revenue)	28,944	28,944	Recognizes ambulance transport payments received from public healthcare providers and patients for Fire Department ambulance transports to hospitals. Ambulance transports began in March 2023 under the current Santa Clara County dispatch orders, allowing agencies with ambulances to transport patients to hospitals in conjunction with County-contracted ambulance services (five affirmative Council votes required to appropriate additional revenue) .
Fire Department Salaries and Benefits		1,280,000	Increases the Fire Department budget for salaries and benefits by \$1,280,000 from the Non-Departmental budget. This action funds the Department's \$340,000 separation payouts from the separation payout budget and \$940,000 to cover salaries and increased benefits (primarily health allocation) costs related to the Unit 1 2020-2025 MOU (RTC 22-912) that was executed in July 2022 (majority of affirmative Council votes required) .
Transfer to the General Government Capital Fund (FHRMS Update Project)		764,000	Establishes a transfer to the General Government Capital Fund for the FHRMS Update capital project. This additional funding for the FHRMS (Finance and Human Resources software system) project will support improvements to the Peoplesoft system, including automating manual processes (e.g., open enrollment, benefits administration, retroactive pay calculations, CalPERS limits) and updating Peoplesoft to the latest version. Savings are available in the Finance and Human Resources Departments and Non-Departmental to offset this cost (majority affirmative Council votes required) .
Finance Department		(250,000)	Decreases the Finance Department budget and redirects the funds to the FHRMS Update capital project as discussed above. This reflects departmental personnel savings from vacancies as well as non-personnel savings (majority affirmative Council votes required) .

FY 2022/23 Budget Amendments

General Fund (001) (Cont'd.)

Department/Item	Source of Funds	Use of Funds	Explanation
Human Resources		(250,000)	Decreases the Human Resources Department budget and redirects the funds to the FHRMS Update capital project as discussed above. This reflects departmental personnel savings from vacancies as well as non-personnel savings (majority affirmative Council votes required) .
Non-Departmental		(1,685,000)	Reallocates savings in the Non-Departmental budget to fund the following: separation payouts in the Fire Department (\$340,000); salaries and benefits in the Fire Department (\$940,000); the transfer to the Vehicle Fund (\$141,000) to cover the higher cost of the fire truck; and the transfer to the General Government Fund for the FHRMS Update project (\$264,000). The Non-Departmental budget includes funding for departmental separation payouts that are allocated to departments as needed. Non-Departmental savings are also available to cover the other recommended uses (majority affirmative Council votes required) .
	507,393	507,393	

Cemetery Fund (093)

Department/Item	Source of Funds	Use of Funds	Explanation
Salaries		65,000	Increases the salaries budget by \$65,000 using fund balance to fund a retiree separation payout and personnel expenditures (five affirmative Council votes required for the use of unused balances) .
Unrestricted Ending Fund Balance		(65,000)	Decreases the unrestricted ending fund balance to offset the action above (five affirmative Council votes required for the use of unused balances) .
	-	-	

Cemetery Capital Fund (593)

Department/Item	Source of Funds	Use of Funds	Explanation
Other Revenue / Unrestricted Ending Fund Balance	79,940	79,940	Recognizes a rebate from the Santa Clara Valley Water District for the conversion of 39,370 square feet of landscape to low water use plantings at the Mission City Memorial Park (five affirmative Council votes required to appropriate additional revenue) .
	79,940	79,940	

FY 2022/23 Budget Amendments

Electric Utility Capital Fund (591)			
Department/Item	Source of Funds	Use of Funds	Explanation
Transfer from the Sewer Utility Fund	39,731		Recognizes a transfer from the Sewer Utility Fund for the Electric Yard Building and Grounds project (five affirmative votes required to appropriate additional revenue) .
Transfer from the Water Recycling Fund	8,828		Recognizes a transfer from the Water Recycling Fund for the Electric Yard Building and Grounds project (five affirmative votes required to appropriate additional revenue) .
Transfer from the Water Utility Capital Fund	39,731		Recognizes a transfer from the Water Utility Capital Fund for the Electric Yard Building and Grounds project (five affirmative votes required to appropriate additional revenue) .
Electric Yard Building and Grounds Project		88,290	Increases the Electric Yard Building and Grounds Project appropriation to provide additional funds for work being done for accessibility and installation of new parking stalls at the yard. This action allocates the contributions from the Sewer Utility Fund, the Water Recycling Fund, and the Water Utility Capital Fund to support this project as both the Electric Utility and Water and Sewer Departments use this facility (five affirmative votes required to appropriate additional revenue) .
Major Engine Overhaul and Repair		(3,000,000)	This action decreases the Major Engine Overhaul and Repair project after completing all scheduled work planned for FY 2022/23. The \$3.0 million will be reallocated to the Replace Balance of Plant Control System project to complete scheduled work (majority affirmative Council votes required) .
Replace Balance of Plant Control System		3,000,000	This action increases the Replace Balance of Plant Control System project to complete upgrades to the four autonomous controllers and remote instrumentation to centralize plant operations. Funding is reallocated from the Major Engine Overhaul and Repair project to fund this increase (majority affirmative Council votes required) .
San Tomas Junction	462	462	This action recognizes Other Revenue and increases the San Tomas Junction Project due to a refund for closing costs of an easement acquisition made in FY 2021/22 (five affirmative Council votes required to appropriate additional revenue) .
	88,752	88,752	

FY 2022/23 Budget Amendments

Electric Utility Debt Service Fund (491)

Department/Item	Source of Funds	Use of Funds	Explanation
Electric Department (Administrative Costs)		10,000	Increases the Electric Department budget by \$10,000 to fund higher than anticipated administrative costs (five affirmative Council votes required for the use of unused balances) .
Reserve for Debt Service		(10,000)	Decreases the Reserve for Debt Service to offset the action above (five affirmative Council votes required for the use of unused balances) .
	-	-	

Electric Utility Fund (091)

Department/Item	Source of Funds	Use of Funds	Explanation
Charges for Services	4,700,000		This action recognizes additional revenue from Charges for Services due to higher than anticipated energy sales. These revenues will partially offset the higher expenditure costs associated with power purchases in 2023 (five affirmative Council votes required to appropriate additional revenue) .
Other Revenue	14,500,000		This action recognizes additional revenue resulting from settlement of a lawsuit. SVP and other Northern California Power Agencies were awarded refunds of payments assessed and collected by the United States Bureau of Reclamation. This revenue will offset the unanticipated higher expenditure costs associated with power purchases in 2023 (five affirmative Council votes required to appropriate additional revenue) .
Resource and Production		60,000,000	This action increases the Resource and Production expense budget due to higher than anticipated costs for purchased power primarily in early calendar year 2023. SVP had higher than anticipated sales that required additional market purchases. These market purchases incurred high rates due to an increase of natural gas prices which were up to ten times higher than the average over the last 10 years (five affirmative Council votes required for the use of unused balances and to appropriate additional revenue) .

FY 2022/23 Budget Amendments

Electric Utility Fund (091) (Cont'd.)

Department/Item	Source of Funds	Use of Funds	Explanation
Contribution In-Lieu		1,250,000	This action increases the Contribution In-Lieu to account for higher revenues, including unanticipated Load Development Fee revenue received in the Electric Utility Capital Fund (five affirmative Council votes required for the use of unused balances) .
Operations and Maintenance Reserve		11,874,139	This action increases the Operations and Maintenance Reserve in the amount of \$11,874,139 from Unrestricted Fund Balance. The increased amount, together with the previously budgeted FY 2022/23 increase of \$20,125,861, is from prior years retained earnings to meet minimum reserve targets (five affirmative Council votes required for the use of unused balances) .
Rate Stabilization Reserve		3,070,855	This action increases the Rate Stabilization Reserve in the amount of \$3,070,855 from Unrestricted Fund Balance. The increased amount, together with the previously budgeted FY 2022/23 increase of \$4,929,145, is from prior years retained earnings to meet minimum reserve targets (five affirmative Council votes required for the use of unused balances) .
Unrestricted Ending Fund Balance		(56,994,994)	This action decreases the unrestricted ending fund balance (from \$87,035,370 to \$30,040,376) to offset the actions recommended above (five affirmative Council votes required for the use of unused balances) .
	19,200,000	19,200,000	

Expendable Trust Fund (079)

Department/Item	Source of Funds	Use of Funds	Explanation
Revenue from Other Agencies / Information Technology - SVACA Billing	25,000	25,000	This action increases the Revenue from Other Agencies estimate and appropriates the funding to the Information Technology Department. This funding is related to reimbursements received from the Silicon Valley Animal Control Association (SVACA) for services provided by the City (five affirmative Council votes required to appropriate additional revenue) .

FY 2022/23 Budget Amendments

Expendable Trust Fund (079) (Cont'd.)

Department/Item	Source of Funds	Use of Funds	Explanation
Revenue from Other Agencies / Department of Public Works - SVACA Billing	36,200	36,200	This action increases the Revenue from Other Agencies estimate and appropriates the funding to the Department of Public Works. This funding is related to reimbursements received from the Silicon Valley Animal Control Association (SVACA) for services provided by the City (five affirmative Council votes required to appropriate additional revenue) .
Revenue from Other Agencies / Police Department - Seized Assets	184,000	184,000	This action increases the Revenue from Other Agencies estimate for seized assets and appropriates the funding to the Police Department. A spending plan will be brought forward separately (five affirmative Council votes required to appropriate additional revenue) .
	245,200	245,200	

Fire Operating Grant Trust Fund (178)

Other Agencies Revenue / Urban Search and Rescue Training Reimbursements	30,299	30,299	Recognizes \$30,299 in reimbursements from the Menlo Park Fire Protection District for Urban Search and Rescue training exercise overtime costs. Reimbursements are for the FY 2022/23 Medical Specialist Training, Search and Rescue Operating Platform (SARCOP) Training, Technical Search Training and Canine Search Specialist Training exercises (five affirmative Council votes required to appropriate additional revenue) .
Other Agencies Revenue / 2022 Emergency Management Preparedness Grant	2,000	2,000	Establishes a grant appropriation for the 2022 Emergency Management and Preparedness Grant issued by the County of Santa Clara Office of Emergency Services. Grant funds will be used to fund staff attendance costs for the 2023 International Association Emergency Managers Conference (five affirmative Council votes required to appropriate additional revenue) .

FY 2022/23 Budget Amendments

Fire Operating Grant Trust Fund (178) (Cont'd.)

Department/Item	Source of Funds	Use of Funds	Explanation
Other Agencies Revenue / 2022 State Homeland Security Grant Program	252,900	252,900	Establishes a grant appropriation for the 2022 State Homeland Security Grant Program award. The grant reimburses the Fire Department's All-Hazards Coordinator position costs and Police Department training activities that support the County Santa Clara County Office of Emergency Services (five affirmative Council votes required to appropriate additional revenue) .
	285,199	285,199	

General Government Capital Fund (539)

Department/Item	Source of Funds	Use of Funds	Explanation
Transfer from General Fund / FHRMS Update Project	764,000	764,000	Increases the transfer from the General Fund and appropriates additional funding for the FHRMS (Finance and Human Resources software system) project. This funding will support improvements to the Peoplesoft system, including automating manual processes (e.g., open enrollment, benefits administration, retroactive pay calculations, CalPERS limits) and updating Peoplesoft to the latest version (five affirmative Council votes required to appropriate additional revenue) .
	764,000	764,000	

Housing and Urban Development Fund (562)

Department/Item	Source of Funds	Use of Funds	Explanation
HOME Administration		(55,000)	Decreases the HOME Administration project appropriation to reflect actual staff time spent for program administration (majority affirmative Council votes required) .
Ending Fund Balance		55,000	Increases the ending fund balance to offset the action recommended above (majority affirmative Council votes required) .
	-	-	

FY 2022/23 Budget Amendments

Parks and Recreation Capital Fund (532)

Department/Item	Source of Funds	Use of Funds	Explanation
Mitigation Fee Act Revenue	13,399,292		Increases the Mitigation Fee Act revenue estimate by \$13,399,292 (from \$23,237,740 to \$36,637,032) based on additional revenue received year-to-date (five affirmative Council votes required to appropriate additional revenue) .
Park Impact Fees Monitoring Project		267,986	Increases the Park Impact Fees Project appropriation based on an additional Mitigation Fee Act revenue received year-to-date. The appropriation is based on a calculation of two percent (2%) of actual Quimby and MFA fees that are transferred to this project annually (City Chapter 17.35 of the City Code) to support staff and studies related to the park in-lieu program (five affirmative Council votes required to appropriate additional revenue) .
Parkland Acquisition Project		3,976,073	Increases the Parkland Acquisition Project appropriation by \$3,976,073 (from \$6,000,000 to \$9,976,073) to account for additional Mitigation Fee Act (MFA) revenue received year-to-date. The allocation is based on 25% of total Park In-Lieu Fees received, after two percent (2%) is allocated towards the Park Impact Fees Monitoring Project. To date, \$5 million of MFA fees and \$1 million of Quimby Act fees have been appropriated to this project this fiscal year (five affirmative Council votes required to appropriate additional revenue) .
Central Park Magical Bridge Playground	255,002		Increase the Other Revenue estimate as a technical adjustment to account for anticipated donations for the Central Park Magical Bridge Playground (total estimate of \$1.0 million). This is a correction to the budget action brought forward in the FY 2021/22 Budgetary Year-End Report (RTC 21-930) that incorrectly assumed \$255,002 had been received in FY 2021/22 for this project and, as a result, the FY 2022/23 revenue estimate was reduced by that amount. The donation was actually received for the Youth Soccer Fields & Athletic Facilities - Reed and Grant Street project. A separate action below allocates those donation funds. The Magical Bridge Foundation continues to solicit donations towards this project (five affirmative Council votes required to appropriate additional revenue) .

FY 2022/23 Budget Amendments

Parks and Recreation Capital Fund (532) (Cont'd.)

Department/Item	Source of Funds	Use of Funds	Explanation
Youth Soccer Fields & Athletic Facilities - Reed & Grant Street		255,002	Technical adjustment to appropriate a \$255,002 donation from Silicon Valley Power that was received in FY 2021/22. The donation supports the inclusion of EV charging stations in the expanded parking lot (five affirmative Council votes required for the use of unused balances) .
Eddie Souza Park Building Repair	93,353	93,353	Increases the Other Revenue estimate from insurance payments and appropriates it to the Eddie Souza Park Building Repair project, established due to vandalism at the park. The additional funding reimburses repair costs such as clean-up from the fire damage and replacing, fiber, locks, cameras and equipment (five affirmative Council votes required to appropriate additional revenue) .
Ending Fund Balance		9,155,233	Increases the Unrestricted Ending Fund Balance to offset the actions above (five affirmative Council votes required for the use of unused balances) .
	13,747,647	13,747,647	

Public Donations Fund (067)

Department/Item	Source of Funds	Use of Funds	Explanation
Parks & Recreation - Other Revenue / Materials/Services/Supplies	150	150	Recognizes public donations from the Santa Clara Women's League, in memory of Shirley Shumaker, in support of the Senior Center Health & Wellness activities and programming and Theta Baltazar in support of the Senior Bingo activities and programming (five affirmative Council votes required to appropriate additional revenue) .
	150	150	

Parks & Recreation Operating Grant Trust Fund (111)

Department/Item	Source of Funds	Use of Funds	Explanation
Other Revenue / Materials/Services/Supplies	3,350	3,350	Recognizes donations from Theta Baltzar, Barbara Chuck and Apollo Mok in honor of Mary Mok, to support the Senior Nutrition Program (five affirmative Council votes required to appropriate additional revenue) .
	3,350	3,350	

FY 2022/23 Budget Amendments

Related Santa Clara Developer Fund (540)

Department/Item	Source of Funds	Use of Funds	Explanation
Developer Contributions / Other Development Project Services	400,000	400,000	Increases the developer contributions estimate and increases the Other Development Project Services appropriation to address higher than anticipated third-party consultant costs (five affirmative Council votes required to appropriate additional revenue) .
	400,000	400,000	

Sewer Utility Capital Fund (594)

Department/Item	Source of Funds	Use of Funds	Explanation
Transfer from the Sewer Utility Fund / Sanitary Sewer Hydraulic Modeling As Needed Support	30,000	30,000	Increases the transfer from the Sewer Utility Fund and increases the Sanitary Sewer Hydraulic Modeling As Needed Support project appropriation to account for higher than anticipated engineering costs (five affirmative votes required to appropriate additional revenue) .
	30,000	30,000	

Sewer Utility Fund (094)

Department/Item	Source of Funds	Use of Funds	Explanation
Transfer to the Sewer Utility Capital Fund		30,000	Increases the transfer to the Sewer Utility Capital Fund for the Sanitary Sewer Hydraulic Modeling As Needed Support project to account for higher than anticipated engineering costs (five affirmative votes required for the use of unused balances) .
Transfer to the Electric Utility Capital Fund		39,731	Establishes a transfer to the Electric Utility Capital Fund for the Electric Yard Building and Grounds project to provide additional funds for work being done for accessibility and installation of new parking stalls at the yard; this reflects the share of the costs attributed to the Sewer Utility Fund (five affirmative votes required for the use of unused balances) .
Unrestricted Ending Fund Balance		(69,731)	Decreases the unrestricted ending fund balance to offset the actions above (five affirmative Council votes required for the use of unused balances) .
	-	-	

FY 2022/23 Budget Amendments

Solid Waste Fund (096)

Department/Item	Source of Funds	Use of Funds	Explanation
Materials/Services/Supplies (SB1383 Local Assistance Grant Program)		185,289	Increases the Materials/Services/Supplies budget to use \$185,289 in grant funding that was received in FY 2021/22. The SB1383 Local Assistance Grant Program was offered by the Department of Resources Recycling and Recovery (CalRecycle). This was a non-competitive grant program that provided one-time funding to local jurisdictions to assist with the implementation of regulation requirements associated with SB 1383. The City of Santa Clara was awarded \$185,289 on May 24, 2022 and did not use any funds in FY 2021/22. The grant term ends on April 2, 2024. Approved expenditures include compost giveaways (purchase of compost, supplies, and all staff time for the events) and a power purchase agreement for power derived from residential organic collected curbside. A rough breakdown of costs would be \$170,623 for contracts, \$9,000 for personnel, and \$5,666 for supplies (five affirmative Council votes required for the use of unused balances) .
Unrestricted Ending Fund Balance		(185,289)	Decreases the Unrestricted Ending Fund Balance to offset the action above. The grant funds received in FY 2021/22 are incorporated into the Unrestricted Ending Fund Balance (five affirmative Council votes required for the use of unused balances) .
	-	-	

Solid Waste Capital Fund (596)

Department/Item	Source of Funds	Use of Funds	Explanation
Developer Contributions / Sanitary Landfill Development - Post Closure	130,000	130,000	Increases the Developer Contributions revenue estimate and the Sanitary Landfill Development - Post Closure project for attorney services expenses incurred from prior years and higher than anticipated costs associated with rodent control, mowing, and winter storms repairs. Per the Development Agreement, Related is to reimburse the City for all operating and maintenance costs above the baseline costs established in the agreement (five affirmative Council votes required to appropriate additional revenue) .
	130,000	130,000	

FY 2022/23 Budget Amendments

Vehicle Replacement Fund (050)

Department/Item	Source of Funds	Use of Funds	Explanation
Transfer from General Fund / Capital Outlay	141,000	141,000	Increases the transfer from the General Fund and increases the Capital Outlay budget to address higher than anticipated costs for the purchase of a fire truck. Funding of \$2.0 million was previously set aside in the FY 2021/22 Budgetary Year End Report. The remaining funding is needed to purchase the truck for the Fire Department based on the actual quote. This action ensures that a replacement truck will be in place according to the replacement timeline (five affirmative Council votes required to appropriate additional revenue) .
	141,000	141,000	

Water Recycling Fund (097)

Department/Item	Source of Funds	Use of Funds	Explanation
Resource/Production		500,000	Increases the Resource/Production appropriation to cover higher than anticipated usage of recycled water (five affirmative votes required for the use of unused balances) .
Transfer to the Electric Utility Capital Fund		8,828	Establishes a transfer to the Electric Utility Capital Fund for the Electric Yard Building and Grounds project to provide additional funds for work being done for accessibility and installation of new parking stalls at the yard; this reflects the share of the costs attributed to the Water Recycling Fund (five affirmative votes required for the use of unused balances) .
Unrestricted Ending Fund Balance		(508,828)	Decreases the unrestricted ending fund balance to offset the actions above (five affirmative Council votes required for the use of unused balances) .
	-	-	

FY 2022/23 Budget Amendments

Water Utility Capital Fund (592)

Department/Item	Source of Funds	Use of Funds	Explanation
Distribution System Replacement/Restoration		350,000	Increases the Distribution System Replacement/Restoration project appropriation to account for higher than anticipated construction and supplies costs (five affirmative votes required for the use of unused balances) .
SCADA Improvements		17,000	Increases the SCADA Improvements project appropriation to account for higher than anticipated construction and engineering costs (five affirmative votes required for the use of unused balances) .
Tank Rehabilitation		21,000	Increases the Tank Rehabilitation project appropriation to account for higher than anticipated construction costs (five affirmative votes required for the use of unused balances) .
Transfer to the Electric Utility Capital Fund		39,731	Establishes a transfer to the Electric Utility Capital Fund for the Electric Yard Building and Grounds project to provide additional funds for work being done for accessibility and installation of new parking stalls at the yard; this reflects the share of the costs attributed to the Water Utility Capital Fund (five affirmative votes required for the use of unused balances) .
Unrestricted Ending Fund Balance		(427,731)	Decreases the unrestricted ending fund balance to offset the actions above (five affirmative Council votes required for the use of unused balances) .

-
-



Agenda Report

23-424

Agenda Date: 6/27/2023

REPORT TO COUNCIL

SUBJECT

Action on Award of Contract for the City of Santa Clara Utilities Corporation Yard Renovation Project to Ron Paris Construction

COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

BACKGROUND

The City of Santa Clara utilities corporation yard located at 1705 Martin Avenue and constructed in the late 1960's, is occupied by staff from the Water and Sewer Department and Silicon Valley Power. It contains work offices, a utility operations control room, a computer room, conference rooms, men's locker rooms and restrooms, and one women's restroom. In an effort to provide additional amenities to women working at this site, the Utilities Corporation Yard Renovation Project (Project) proposes to construct a new accessible women's restroom equipped with lockers and a shower. The scope of work also includes replacement of the existing halon fire suppression system in the computer room with a new clean agent fire suppression system; accessible parking stalls, and a new concrete walkway and landing to create an accessible path of travel from the new parking stalls to the existing front entry door.

On April 6, 2021, City Council approved a design professional services agreement with Studio G Architects, Inc. for the Project to provide preliminary engineering, preparation of construction documents (plans, specifications, and engineer's estimate) for public works bidding, assistance with obtaining building permit, and engineering support services during bid, award, and construction phases.

DISCUSSION

In March 2023, a competitive Request for Bids (RFB) for construction of the Project was published on the City's bid notification system, Periscope S2G. The RFB was viewed by over 61 vendors on Periscope S2G, which included contractors, suppliers, plan rooms, builder exchanges, and more. Beyond the contractors and suppliers who viewed the RFB through Periscope S2G, additional vendors were also able to view the RFB as members of various plan rooms and builder exchanges. Staff also reached out directly to contractors and vendors who have previously viewed similar projects in the past.

On April 6, 2023, a bid opening for the Project was held via video conference. One bid was received in the amount of \$704,248. The Bid Summary is included as Attachment 1. The lowest bid submitted by Ron Paris Construction (RPC), in the amount of \$704,248, is 6 percent below the Engineer's Estimate of \$750,000. The reason for receiving one bid may be attributed to the current economy where contractors have an abundant amount of work and may have already secured adequate work.

RPC's bid was reviewed by the Department of Public Works (DPW) and the City Attorney's Office for compliance with the terms and conditions of the bid documents and has been determined to be the lowest responsive and responsible bid. Staff recommends awarding the construction contract to Ron Paris Construction.

Award of contract will enable construction of the Project to begin with substantial completion anticipated by fall 2024. These dates are subject to change if any unforeseen conditions are discovered during construction. The contract includes prevailing wage requirements.

ENVIRONMENTAL REVIEW

This project being considered is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15301 (c), "Existing Facilities," as the activity consists of the repair, maintenance or minor alteration of existing facilities involving no or negligible expansion of the use beyond that presently existing.

FISCAL IMPACT

The cost of the contract is \$704,248, plus an approximate 15 percent contingency of \$105,637 for any potential change orders, for a total not-to-exceed contract amount of \$809,885. Staff recommends including 15 percent contingency to cover any potential unforeseen issues that may arise when working with existing buildings and infrastructures. Funding is available in the Electric Yard Buildings and Grounds Project in the Electric Utility Capital Fund including an appropriation of Water and Sewer funds in today's Council Agenda as part of item 3B. Staff completed a fair share analysis and SVP is contributing \$721,595 and Water and Sewer is contributing \$88,290 towards the project.

COORDINATION

This report has been coordinated with Silicon Valley Power, the Finance Department, and the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Determine the proposed action is exempt pursuant to Class 1 (Existing Facilities) of CEQA Guidelines Section 15301;
2. Award the Public Works Contract for the City of Santa Clara Utilities Corporation Yard Renovation Project to the lowest responsive and responsible bidder, Ron Paris Construction, in the amount of \$704,248 and authorize the City Manager to execute any and all documents associated with, and necessary for the award, completion, and acceptance of this Project, in a final form approved by the City Attorney; and
3. Authorize the City Manager to execute change orders up to approximately 15 percent of the original contract price, or \$105,637, for a total not-to-exceed amount of \$809,885.

Reviewed by: Craig Mobeck, Director of Public Works
Approved by: Jōvan D. Grogan, City Manager

ATTACHMENTS

1. Bid Summary



City of Santa Clara

Attachment No. 1 Bid Summary

23-424

REPORT TO COUNCIL

SUBJECT

Action on Award of Contract for the City of Santa Clara Utilities Corporation Yard Renovation Project to Ron Paris Construction

BID SUMMARY	Bid Opening Date: April 6, 2023	
ENGINEER'S ESTIMATE:	\$ 750,000	
Contractor	Total Bid (\$)	Percentage above/below Engineer's Estimate
Ron Paris Construction	\$704,248	-6%



Agenda Report

23-525

Agenda Date: 6/27/2023

REPORT TO COUNCIL

SUBJECT

Actions on Award of Contract for the 2023 Americans with Disabilities Act (ADA) Curb Ramps Project to Villalobos & Associates, Inc., and Related Budget Amendments

COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

BACKGROUND

The 2023 ADA Curb Ramps Project (Project) consists of constructing Americans with Disabilities Act (ADA) compliant curb ramps at 12 intersections (Attachment 1). The scope of work includes demolishing existing concrete, making slight modifications to adjacent surfaces to accommodate the new curb ramps, updating traffic striping and pavement markings, and other necessary work to complete the Project.

The installation of ADA curb ramps continues the City's efforts to enhance accessibility in the public right-of-way for those with disabilities. The locations where curb ramps will be installed include locations requested by the public.

The Project is funded through a combination of Transportation Development Act Article 3 (TDA 3) funds and the City's General Fund. In May 2022, Council approved filing an application for allocation of TDA 3 funding for FY 2022/23 for use towards construction of curb ramps, and in September 2022, the Metropolitan Transportation Commission (MTC) approved the allocation. In February 2023, Council appropriated TDA 3 funding in the amount of \$309,078 and established the Citywide Priority Curb Ramp project in the Capital Improvement Program budget.

DISCUSSION

In April 2023, a competitive Request for Bids (RFB) for construction of the Project was published on the City's bid notification system, Periscope S2G. The RFB was viewed by over 37 vendors on Periscope S2G, which included contractors, suppliers, plan rooms, builder exchanges, and more. Beyond the contractors and suppliers who viewed the RFB through Periscope S2G, additional vendors were also able to view the RFB as members of various plan rooms and builder exchanges. In addition, staff also reached out directly to distribute the RFB to contractors and vendors who have previously viewed similar projects in the past.

On May 11, 2023, bids for the Project were opened via video conference. The City received seven bids from Villalobos & Associates, Inc., SBV Concrete Inc. (dba Valley Concrete), ASG Builders, JJR Construction, Inc., Sposeto Engineering, Inc., FBD Vanguard Construction, Inc., and Wattis Construction Company ranging from \$470,733 to \$689,864. The Bid Summary is included as Attachment 2.

The lowest bid was submitted by Villalobos & Associates, Inc. (Villalobos) in the amount of \$470,733, which is 6 percent below the Engineer's Estimate of \$500,860. Villalobo's bid was reviewed by the Department of Public Works (DPW) and the City Attorney's Office for compliance with the terms and conditions of the bid documents and has been determined to be the lowest responsive and responsible bid. Staff recommends awarding the contract to Villalobos & Associates, Inc.

Award of the contract will allow construction to commence in order to complete the curb ramps during late summer and fall 2023. The contract includes prevailing wage requirements.

ENVIRONMENTAL REVIEW

This project being considered is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15301(c), "Existing Facilities," as the activity consists of the repair, maintenance or minor alteration of existing facilities involving no or negligible expansion of the use beyond that presently existing, and specifically includes the repair of existing highways and streets.

FISCAL IMPACT

The approximate cost of the contract is \$470,733, plus a 10 percent contingency of \$47,073 for any potential change orders, for a total not-to-exceed contract amount of \$517,806.

Transportation Development Act Article 3 (TDA 3) funding in the amount of \$309,078 is available in the Citywide Priority Curb Ramp project (CIP 1287) in the Streets and Highways Capital Fund for the contract. Staff recommends transferring \$207,228 from the Annual Curb Ramp Installation project (CIP 1250) in the Streets and Highways Capital Fund to the Citywide Priority Curb Ramp Project for the remaining funding necessary for the award of contract. The Annual Curb Ramp Installation project is supported by the General Fund Capital Projects Reserve and is to be used to replace existing curb ramps that do not comply with current ADA guidelines and/or the installation of new curb ramps to remove barriers for accessibility in the public right-of-way.

In addition, staff recommends transferring \$1,500 from the Water Utility Capital Fund to the Citywide Priority Curb Ramp project for the portion of the project costs associated with those funds based on the bid. The removal and replacement of water valve boxes is part of the work necessary for installing the curb ramps.

Budget Amendment FY 2022/23

	Current	Increase/ (Decrease)	Revised
Water Utility Capital F			
<u>Transfers To</u> Streets a\$0		\$1,500	\$1,500
<u>Fund</u>			
<u>Fund Balance</u> Unrestri\$13,893,789		(\$1,500)	\$13,892,289

Streets and Highway:

Transfers From

Water Utility Capital Fund	\$1,500	\$1,500
----------------------------	---------	---------

Expenditures

Annual Curb Ramp Installation	(\$207,228)	\$491,620
Citywide Priority Curb Ramp	\$208,728	\$517,806

COORDINATION

This report has been coordinated with the Finance Department, Water & Sewer Utilities Department, and the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Determine the proposed project qualifies for a Categorical Exemption under CEQA Guidelines Section 15301;
2. Award the Public Works Contract for the 2023 ADA Curb Ramps Project to the lowest responsive and responsible bidder, Villalobos & Associates, Inc., in the amount of \$470,733, funded in the Streets and Highways Capital Fund, and authorize the City Manager to execute any and all documents, in a final form approved by the City Attorney, associated with, and necessary for the award, completion, and acceptance of this Project;
3. Authorize the City Manager to execute change orders up to 10 percent of the original contract price, or \$47,073, for a total not to exceed amount of \$517,806, funded in the Streets and Highways Capital Fund; and
4. Approve the following FY 2022/23 Budget Amendments:
 - A. In the Water Utility Capital Fund, establish a transfer of \$1,500 to the Streets and Highways Capital Fund and decrease the Unrestricted Ending Fund Balance in the amount of \$1,500 **(five affirmative Council votes required for the use of unused balances)**;
 - B. In the Streets and Highways Capital Fund, recognize a transfer in from the Water Utility Capital Fund in the amount of \$1,500, decrease the Annual Curb Ramp Installation project in the amount of \$207,228, and increase the Citywide Priority Curb Ramp project in the amount of \$208,728 **(five affirmative Council votes required to appropriate additional revenue)**.

Reviewed by: Craig Mobeck, Director of Public Works

Approved by: Jōvan D. Grogan, City Manager

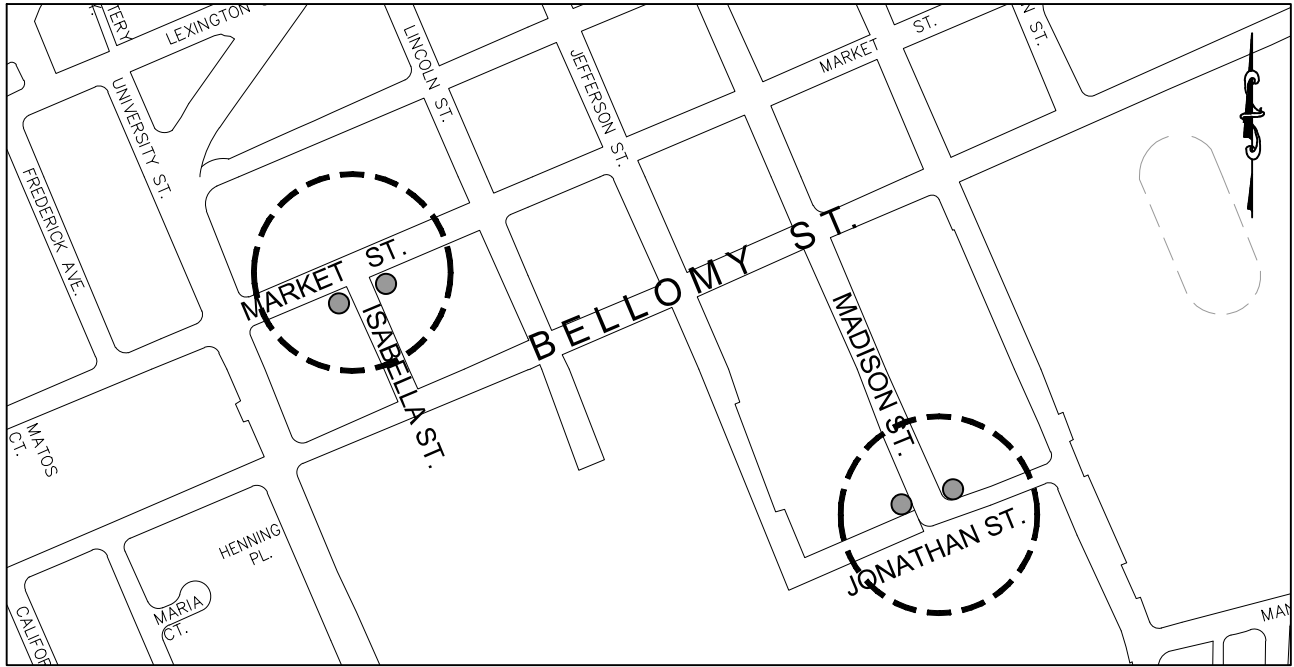
ATTACHMENTS

1. Project Location Maps
2. Bid Summary

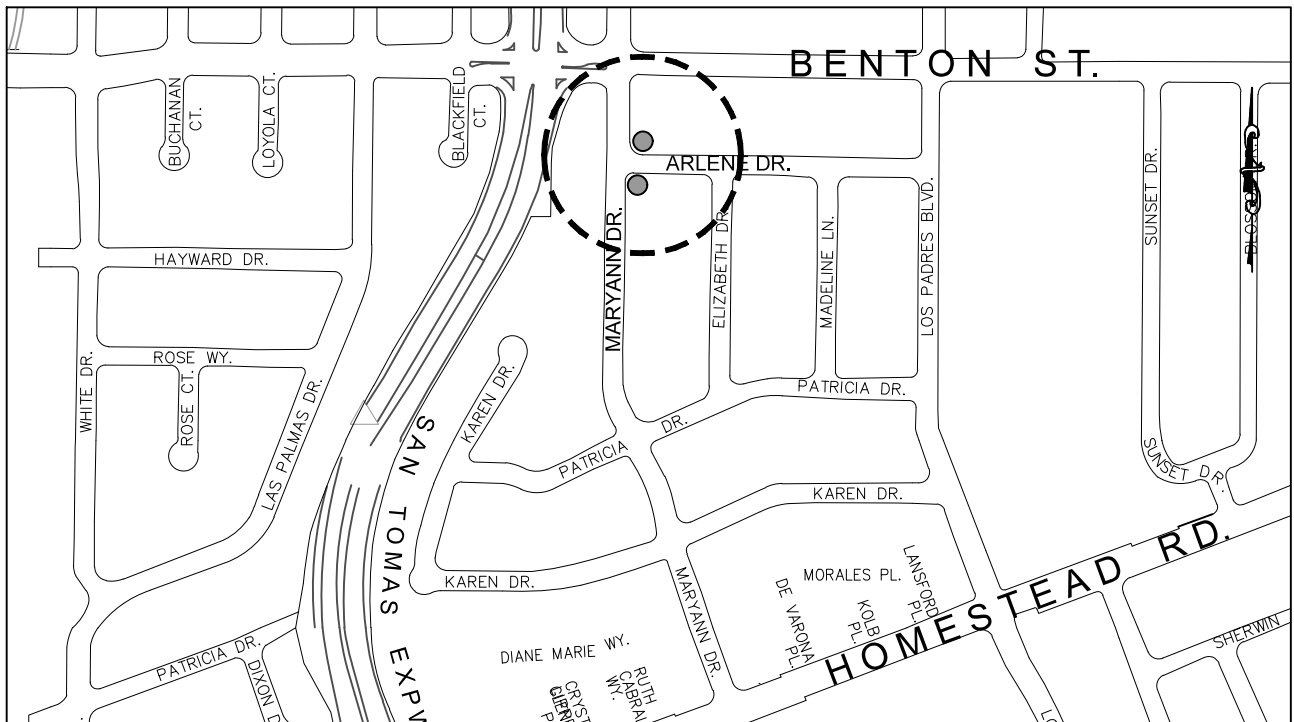


● Proposed Curb Ramp Location

2023 ADA CURB RAMPS PROJECT



LOCATION MAP 2



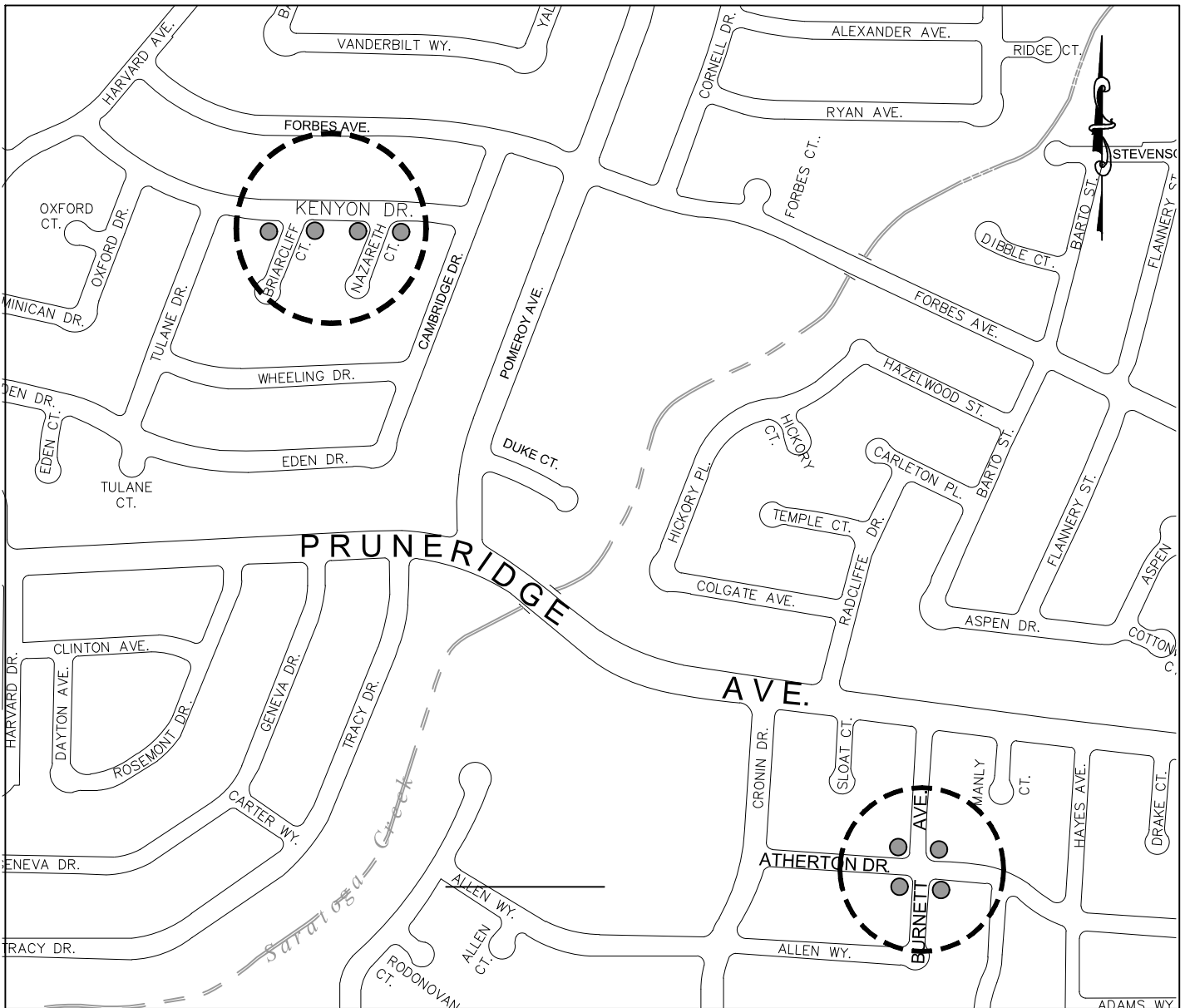
LOCATION MAP 3

LEGEND

- Proposed Curb Ramp Location

ATTACHMENT 1

2023 ADA CURB RAMPS PROJECT



LOCATION MAP 4

LEGEND

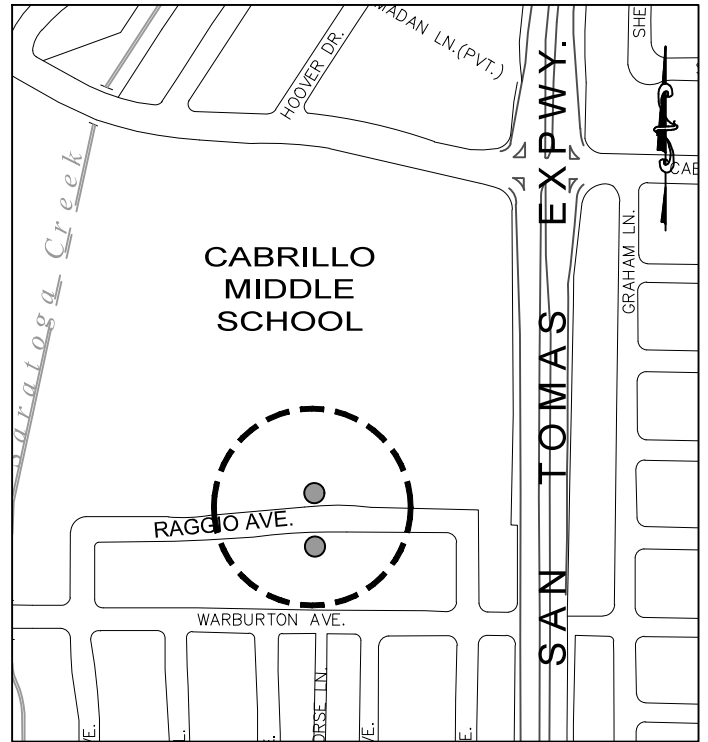
- Proposed Curb Ramp Location

ATTACHMENT 1

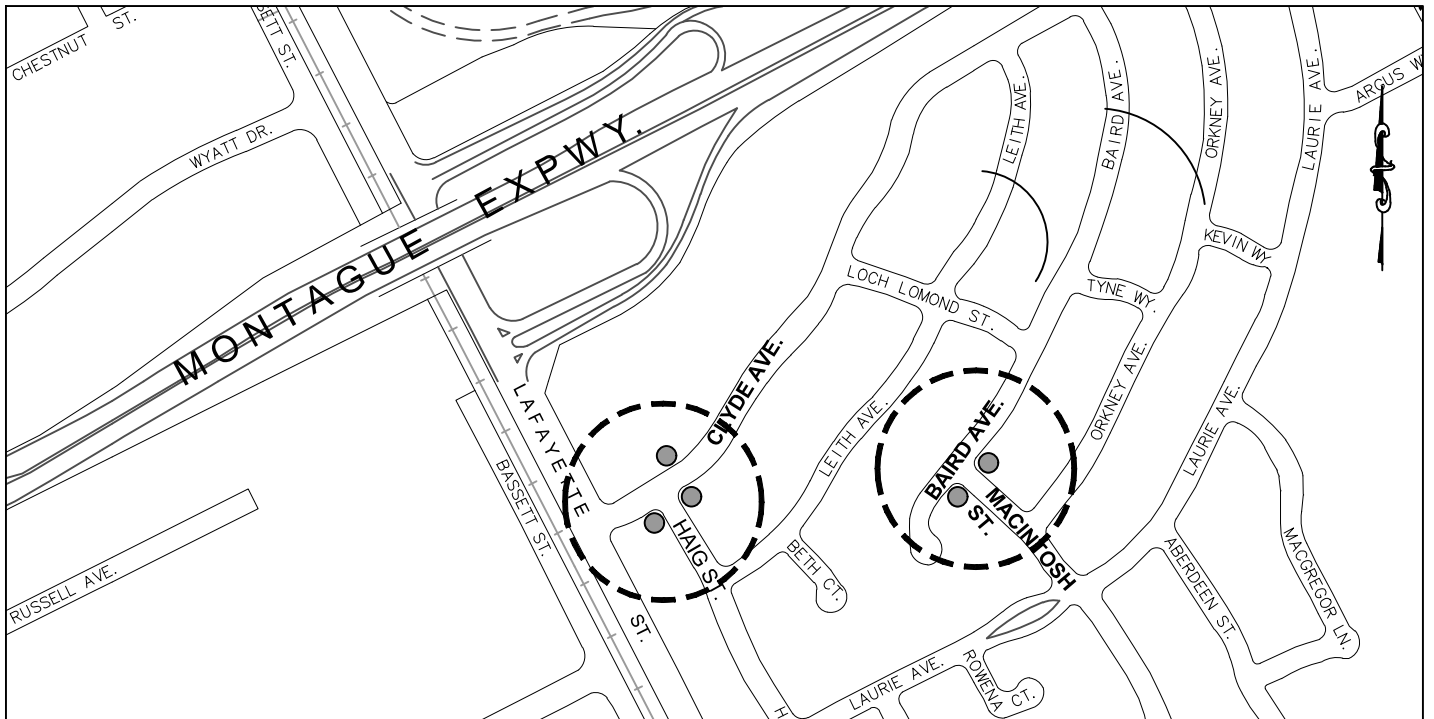
2023 ADA CURB RAMPS PROJECT



LOCATION MAP 5



LOCATION MAP 6



LOCATION MAP 7

LEGEND

- Proposed Curb Ramp Location

ATTACHMENT 1

2023 ADA CURB RAMPS PROJECT



Attachment No. 2
Bid Summary

2023 ADA CURB RAMPS PROJECT (CE 22-23-03)

BID SUMMARY	Bid Opening Date: May 11, 2023	
ENGINEER'S ESTIMATE:	\$ 500,860.00	
Contractor	Total Bid (\$)	Percentage above/below Engineer's Estimate
Villalobos & Associates, Inc.	\$ 470,733.00	6.0% below
SBV Concrete Inc. dba Valley Concrete	\$ 493,529.29	1.5% below
ASG Builders	\$ 504,817.60	0.8% above
JJR Construction, Inc.	\$ 528,829.50	5.6% above
Sposeto Engineering, Inc.	\$ 534,201.00	6.7% above
FBD Vanguard Construction, Inc.	\$ 582,423.00	16.3% above
Wattis Construction Co.	\$ 689,864.00	37.7% above



Agenda Report

23-588

Agenda Date: 6/27/2023

REPORT TO COUNCIL

SUBJECT

Action on Award of Contract for the Westwood Oaks Park Playground Rehabilitation Project to Robert A. Bothman Construction and Related Budget Amendments

COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure
Enhance Community Sports, Recreational and Arts Assets

BACKGROUND

Westwood Oaks Park is located at 460 La Herran Drive and is bounded by residential homes on three sides except for eastside park frontage on La Herran Drive. The Park was constructed in 1961 and since then has been operating without any major improvements. The 2018 Kitchell Facility Condition Assessment Report identified existing playground and site amenities as in critical condition and in need of rehabilitation.

On July 6, 2021, City Council approved an Agreement with Gates and Associates Architecture, Inc. (Gates) for the first phase of the Westwood Oaks Park Playground Rehabilitation (Project), which included conducting a detailed site and facility condition assessment, technology needs assessment, ADA evaluation, community outreach, and preparing an overall site specific plan and schematic design for the playground rehabilitation. On April 19, 2022, City Council approved the Westwood Oaks Park Master Plan Update, the playground schematic design, and Measure R Ordinance as well as Amendment No. 1 to the agreement with Gates to complete the second phase of the Project. The efforts provided by Gates include preparing bid documents (plans, specifications, and engineer's estimate - PS&E) for public works bidding, assisting with obtaining necessary permits, and providing engineering support services during bid and construction.

The Project as approved generally consists of improvements such as landscaping and irrigation, a half-size basketball court, site furnishings, lighting, utilities, a concrete loop path, and new/expanded accessible age-appropriate play areas.

DISCUSSION

In April 2023, a competitive Request for Bids (RFB) for construction of the Project was published on the City's bid notification system, Periscope S2G. The RFB was viewed by over 64 vendors, including contractors, suppliers, plan rooms, and builder exchanges, among others. Additional vendors were able to view the RFB as members of various plan rooms and builder exchanges. Staff also reached out directly to contractors and vendors who had viewed similar past projects.

On May 18, 2023, bids for the Project were opened via video conference. Four bids were received ranging from \$2,767,000 to \$3,667,777. The Bid Summary is included as Attachment 1. The lowest

bid was submitted by Robert A. Bothman Construction ("Bothman") in the amount of \$2,767,000. Bothman's bid was reviewed by staff for compliance with the terms and conditions of the bid documents and has been determined to be a responsive and responsible bid. Staff recommends awarding the construction contract to Robert A. Bothman Construction.

Award of contract will enable construction of the Project to commence with substantial completion anticipated in fall 2024. The date may be subject to change based on, if any, unforeseen conditions are discovered during construction. The contract includes prevailing wage requirements.

ENVIRONMENTAL REVIEW

The action being considered is categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to the following sections of the CEQA Guidelines:

- Section 15302 (Class 2 - Replacement or Reconstruction): The project would replace and reconstruct existing facilities on the same site and with substantially the same purpose and capacity as the structure replaced.
- Section 15303 (Class 3 - New Construction or Conversion of Small Structures): The project will construct limited numbers of new, small facilities or structures and equipment. The proposal would expand the existing playground area by approximately 6,600 square feet and put new playground equipment in the existing park.
- Section 15304 (Class 4 - Minor Alterations to Land), and 15304(b) (Class 4(b) - replacement of existing landscaping with water efficient landscaping): The project would make minor alterations in the condition of land, water and/or vegetation which do not involve the removal of healthy, mature scenic trees, and would include the replacement of existing conventional landscaping with water efficient landscaping. The proposal would remove the unhealthy eucalyptus trees and entry trees that have structural issues and replace them with drought-tolerant species.

FISCAL IMPACT

The approximate cost of the contract is \$2,767,000, plus a 15 percent contingency of \$415,050 for any potential change orders, for a total not-to-exceed contract amount of \$3,182,050. Staff recommends including the 15 percent contingency to cover any potential unforeseen issues that may arise when working with existing park infrastructure.

Partial funding of \$1,833,384 is available in the Westwood Oaks Park Playground Rehabilitation project in the Parks Capital Fund. Staff recommends a budget amendment to increase the project budget by \$1,421,000 from Mitigation Fee Act funds, for a total budget of \$3,254,384. The amendment includes the remaining amount needed to fully fund the construction contract and approximately \$72,000 for other miscellaneous project costs, such as permitting, printing, and special inspection.

Budget Amendment FY 2023/24

Parks and Recreation Capital Fund	Current	Increase/ (Decrease)	Revised
<u>Fund Balance</u>			
Mitigation Fee Act	\$13,538,446	(\$1,421,000)	\$12,117,446
<u>Expenditures</u>			
Westwood Oaks Park Playground Rehabilitation	\$1,833,384	\$1,421,000	\$3,254,384

COORDINATION

This report has been coordinated with the Finance Department, Parks & Recreation Department, and City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Determine the project to be exempt from CEQA under Public Resources Code Section 15302 (Class 2 Categorical Exemption); Section 15303 (Class 3 Categorical Exemption); and Section 15304 (Class 4 Categorical Exemption);
2. Award the Public Works Contract for the Westwood Oaks Park Playground Rehabilitation Project to the lowest responsive and responsible bidder, Robert A. Bothman Construction, in the amount of \$2,767,000 and authorize the City Manager to execute any and all documents associated with, and necessary for the award, completion, and acceptance of this Project, in final forms approved by the City Attorney;
3. Authorize the City Manager to execute change orders up to approximately 15 percent of the original contract price, or \$415,050, for a total not-to-exceed amount of \$3,182,050 funded by the Parks and Recreation Capital Fund; and
4. Approve the following FY 2023/24 budget amendment in the Parks and Recreation Capital Fund to increase the Westwood Oaks Park Playground Rehabilitation project appropriation by \$1,421,000 and decrease the Parks and Recreation Capital Fund Mitigation Fee Act fund balance by the same amount (**five affirmative Council votes required for the use of unused balances**).

Reviewed by: Craig Mobeck, Director of Public Works

Approved by: Jōvan D. Grogan, City Manager

ATTACHMENTS

1. Bid Summary



City of Santa Clara

Attachment No. 1 Bid Summary

23-588

REPORT TO COUNCIL

SUBJECT

Action on Award of Contract for the Westwood Oaks Park Playground Rehabilitation Project to Robert A. Bothman Construction and Related Budget Amendments

BID SUMMARY	Bid Opening Date: May 18, 2023	
ENGINEER'S ESTIMATE:	\$ 3,495,830.00	
Contractor	Total Bid (\$)	Percentage above/below Engineer's Estimate
Robert A. Bothman Construction	\$2,767,000.00	-21%
Redgwick Construction	\$2,877,847.00	-18%
Suarez and Munoz Construction	\$2,954,437.00	-15%
JPB Designs, Inc.	\$3,667,777.00	5%



Agenda Report

23-677

Agenda Date: 6/27/2023

REPORT TO COUNCIL

SUBJECT

Action on Award of Purchase Orders for Citywide As-Needed Interior and Exterior Painting Services

COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

BACKGROUND

The Department of Public Works (DPW) has the responsibility of maintaining and repairing approximately 1,100,000 square feet of buildings located throughout the City. To effectively handle the workload required for maintaining these facilities, DPW utilizes vendors to provide assistance with various services. One such service that is contracted out is as-needed interior and exterior painting services at various locations, including City Hall, Santa Clara Convention Center, Old Courthouse, Police Building, Central Library, Northside Library, Senior Center, and Fire Stations.

DISCUSSION

Pursuant to City Code Section 2.105.140(c), a formal Request for Bids (RFB) was conducted as the solicitation method for this procurement with award to the lowest responsive and responsible bidder (s). The RFB allowed the City to make multiple awards at its sole discretion if determined to be in the City's best interest.

On April 6, 2023, staff published RFB# 22-23-76 for As-Needed Interior and Exterior Painting Services on the City's e-procurement system. Three bids were received by the deadline. The table below represents DPW's estimated annual total, which is calculated by multiplying the hourly rates submitted by the vendors by the estimated annual usage (in hours).

Bidder	Estimated Annual Total
Armstrong Painting, Inc.	\$148,870.00
Fairway Painting	\$167,455.50
Aiden's Quality Painting, Inc.	\$184,050.00

Staff is recommending primary award to Armstrong Painting, Inc. as the lowest responsive and responsible bidder. In addition, staff is recommending award to Fairway Painting and Aiden's Quality Painting, Inc. in the event that Armstrong Painting is unavailable. By having multiple vendors, DPW can prevent any potential delays if Armstrong Painting is unavailable due to scheduling conflicts, staff shortages, or an increase in workload.

The compensation under each Purchase Order will be on a time and materials basis. The rates will be fixed for the initial one-year term. After the initial term, price adjustments will be considered if

properly substantiated by the vendors and approved by the City. In addition, there are four one-year options to extend the term of the Purchase Orders for a total of five years, assuming all options are exercised.

The vendors will provide a range of painting services including touch-up work to update offices, walls, and ceilings, as well as supporting larger projects at the Police Department building, the Convention Center garage, and historic properties managed by DPW.

Prevailing wages will be paid under these purchase orders.

ENVIRONMENTAL REVIEW

The action being considered is exempt for the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15301 "Existing Facilities" as the activity consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities mechanical equipment or topographical features involving negligible or no expansion of use beyond that existing at the time of the lead agencies determination.

FISCAL IMPACT

The amount to be paid to the contractors over the initial one-year term shall not exceed \$200,000. The estimated cost of as-needed services is based on an estimate of past years' expenditures and future planned projects. The majority of costs will be charged to the relevant departments and their respective funding sources based on the locations where the services are rendered. Sufficient budget is available to fund anticipated painting services in FY 2023/24. Costs beyond FY 2023/24 are subject to appropriation of funds by the City Council.

COORDINATION

This report has been coordinated with the Finance Department and the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Authorize the City Manager to execute Purchase Orders with Armstrong Painting, Inc., Fairway Painting, and Aiden's Quality Painting, Inc. for as-needed interior and exterior painting services for an initial one-year term starting on or around July 1, 2023 and ending on or around June 30, 2024 for a maximum aggregate amount not-to-exceed \$200,000, funded by various City funds; and
2. Authorize the City Manager to exercise up to four one-year options to extend the term of the Purchase Orders, subject to compensation increases consistent with market rates not-to-exceed \$250,000 per year and the appropriation of funds.

Reviewed by: Craig Mobeck, Director of Public Works

Approved by: Jōvan D. Grogan, City Manager



Agenda Report

23-732

Agenda Date: 6/27/2023

REPORT TO COUNCIL

SUBJECT

Actions on a Density Bonus Agreement (DBA) with Santa Clara Pacific Associates to Allow a Multifamily Housing Development with 198 Affordable Rental Units at 80 Saratoga Avenue and Delegation of Authority to the City Manager to Negotiate and Execute Future DBAs in Accordance with Santa Clara City Code Section 18.78.060.

COUNCIL PILLAR

Promote and Enhance Economic, Housing and Transportation Development.

BACKGROUND

Santa Clara Pacific Associates (Owner/Developer) is proposing to construct a 100% affordable housing project with two hundred (200) units located at 80 Saratoga Avenue (Project). On September 14, 2022, an architectural review of the Project's six-story mixed-use development was approved at the Development Review Hearing.

The project is a 100 percent affordable housing development with 200 dwelling units which will include four floor plans types consisting of studios, one-, two- and three-bedroom units ranging from 416 square feet to 1,047 square feet in size. Affordability is determined based on the ability of households to pay rent depending upon household income level as a percentage of the average median income (AMI) for the County, with adjustments made for household size. Of the units, 198 units are to be provided to low income households earning no more than 80% of the AMI, and two are unrestricted on-site resident manager units.

As a condition of the land use entitlements and per the City's Affordable Housing Ordinance's (AHO) affordable housing requirements, a share of all newly constructed dwelling units in residential developments of ten (10) or more units must provide at least fifteen percent (15%) of the units at affordable housing costs made available at affordable rental prices to for extremely low, very low, low and moderate income households as long as the distribution of affordable units averages to a maximum of one hundred percent (100%) of area median income. The Developer is required to enter into an Affordable Housing Agreement (AHA) with the City to designate the Project's total AHO obligation of 30 units prior to the issuance of building permits.

Additionally, the Project was approved under the State Density Bonus Law in which the City has established the Density Bonus Ordinance (DBO) in accordance with California Government Code Section 65915 et seq, as amended. The DBO, grants a density bonus and regulatory concessions and/or incentives when a developer seeks and agrees to provide a minimum number of housing units with affordable rents to very low or lower income households. The Developer is required to enter into a Density Bonus Housing Agreement (DBA) prior to issuance of building permits. **Attachment 1** includes a copy of the proposed DBA.

DISCUSSION*Density Bonus Agreement for 80 Saratoga Avenue Affordable Housing Project*

The proposed DBA for 80 Saratoga Avenue is consistent with the income level pursuant to the standards of the DBO, and also satisfies the applicable provisions of the City's AHO. Approval of the proposed DBA will add much needed affordable housing to the City without any City subsidy. The project will rely on low income housing tax credits, tax exempt bonds, and higher density to subsidize rents.

Density Bonus Agreement Approval Process

The Housing and Community Services Division processes several DBAs each year for rental housing developments. Staff has developed standardized templates working with City Attorney's office. Staff recommends delegating authority to the City Manager to execute and amend DBAs that are consistent with the requirements per the Santa Clara City Code Section 18.78.060, subject to final review and approval as to form by the Office of the City Attorney. All projects not in conformance to the Density Bonus Ordinance would continue to be brought to the City Council for approval.

On December 6, 2022, the City Council approved a similar request and delegated authority to the City Manager to execute or amend affordable housing agreements in accordance with the provisions of SCCC Chapter 17.40 subject to final review and approval of such agreements by the Office of the City Attorney. Delegating authority to the City Manager to execute form agreement will help streamline the review and approval process.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment. DBA Projects that comply with Senate Bill 35 and objective standards are ministerial and therefore are not subject to CEQA review.

FISCAL IMPACT

There is no fiscal impact to the City for processing the requested application other than administrative time and expense typically covered by processing fees paid by the applicant.

COORDINATION

This report has been coordinated with the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Approve and authorize the City Manager or designee, to execute the Density Bonus Agreement with Santa Clara Pacific Associates for a 200 affordable housing project at 80

Saratoga Avenue on the terms presented, in a final form approved by the City Attorney.

2. Adopt a Resolution delegating to the City Manager the authority to negotiate, execute, or amend Density Bonus Agreements in accordance with the provisions of Santa Clara City Code Section 18.78.060, subject to final review and approval of such agreements by the Office of the City Attorney. All projects requiring an exception or modification to the City's standard Density Bonus Agreement shall continue to be brought to the City Council for approval.

Reviewed by: Andrew Crabtree, Director of Community Development

Approved by: Jōvan D. Grogan, City Manager

ATTACHMENTS

1. 80 Saratoga Avenue Density Bonus Agreement
2. Resolution

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

(This space is for Recorder's Use)

CITY OF SANTA CLARA
Office of the City Clerk
1500 Warburton Avenue
Santa Clara, California 95050

This Agreement is recorded at the request and for the benefit of the **City of Santa Clara** and is exempt from the payment of a recording fee pursuant to **Government Code Sections 27383 and 6103**.

AFFORDABLE HOUSING AND DENSITY BONUS AGREEMENT

This Density Bonus Agreement (this "**Agreement**") is entered into as of this May , 2023, by and between the CITY OF SANTA CLARA, a chartered California municipal corporation (the "**City**"), and Santa Clara Pacific Associates, a California limited partnership (the "**Developer**"). The City and Developer are individually referred to herein as a "**Party**" and collectively referred to as the "**Parties**".

RECITALS

This Agreement is made and entered into with regard to the following facts, each of which is acknowledged as true and correct by the Parties to this Agreement:

A. Developer owns certain real property located at 80 Saratoga Avenue in the City of Santa Clara, California (the "**Property**"), legally described in Exhibit A attached hereto and incorporated herein by reference, and owns the improvements now or hereafter located thereon.

B. Chapter 17.40 of the Santa Clara City Code ("**Affordable Housing Requirements**") requires that a share of all newly constructed dwelling units in residential developments of ten (10) or more units must provide at least fifteen percent (15%) of the units at affordable housing costs made available at affordable rental prices to extremely low, very low, low and moderate income households as long as the distribution of affordable units averages to a maximum of one hundred percent (100%) area median income. Residential rental projects of fewer than ten units may either provide an affordable unit or pay an in-lieu fee identified for residential rental projects in the affordable housing master fee schedule.

C. Chapter 18.78 of the Santa Clara City Code (the "**Density Bonus Ordinance**"), provides that the City shall, in accordance with California Government Code Section 65915 *et seq.*, as amended (the "**State Density Bonus Code**"), grant a density bonus and regulatory concessions and/or incentives when a developer seeks and agrees to provide a minimum number of housing units with affordable rents to very low or lower income households.

D. Developer intends to construct upon the Property a mixed-use development comprising 200-units of housing (including 2 manager's unit) and approximately 8,625 square feet of ground floor commercial space (the "**Project**") pursuant to the Entitlement (as defined below) and is therefore subject to the Affordable Housing Requirements and Density Bonus

Ordinance.

E. Developer has agreed that one hundred percent of all units in the Project, including total units and density bonus units, but exclusive of a manager's unit or units, are for Lower Income Households, as defined in Section 50053 of the Health and Safety Code, in accordance with Section 65915(b)(1)(G) of the Government Code; and the Project is located within one-half mile of a major transit stop in accordance with Section 65915(f)(3)(D)(ii) of the Government Code. Therefore, the City shall not impose any maximum controls on density with respect to the Project pursuant to Section 65915(f)(3)(D)(ii) of the Government Code.

F. Developer has agreed that at the Project will include at least twenty percent (20%) low-income units meeting the criteria of Section 65915(b)(1)(B), in accordance with Section 65915(p)(2)(A) of the Government Code; and the Project is located within one-half mile of a major transit stop and there is unobstructed access to the major transit stop from the Project in accordance with Section 65915(p)(2)(A) of the Government Code. Therefore, the City shall not impose a vehicular parking ratio that exceeds 0.5 spaces per dwelling unit in accordance with Section 65915(p)(2)(A) of the Government Code.

G. The Developer's provision of one hundred ninety eight (198) units at the 80% AMI or less Income level pursuant to the standards of the Density Bonus Ordinance, also satisfies the Affordable Housing Requirements.

H. City and Developer desire to enter into this Agreement pursuant to the applicable provisions of the Affordable Housing Ordinance, Density Bonus Ordinance and the State Density Bonus Code.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and provisions contained herein, the parties hereto agree as follows:

1. Definitions. For purposes of this Agreement, the terms listed below shall have the meanings thereafter specified:

(a) **"Adjusted for Household Size Appropriate for the Unit"** means "adjusted for family size appropriate to the unit" as such term is used in Section 50053 of the Health and Safety Code (including as defined in Section 50052.5(h) of the Health and Safety Code through Section 50053(d) of the Health and Safety Code).

(b) **"Affordable Rent"** means the applicable affordable rent for Income Eligible Households as provided in Sections 50052.5 and 50053 of the Health and Safety Code as may be amended from time to time; provided, however, that the Affordable Rent for TCAC Units shall be the applicable TCAC Rent.

(c) **"Affordable Unit"** means the one hundred ninety eight (198) dwelling units that will be offered for rent exclusively to an Income Eligible Household at an Affordable Rent pursuant to this Agreement.

- (d) **“Annual Report”** shall have the meaning defined in Section 12.
- (e) **“Certificate of Occupancy”** means one or more temporary or permanent certificate(s) of occupancy that permit the occupancy of all Affordable Units in the Project.
- (f) **“City Representative”** means the City Manager of the City or his or her designated representative.
- (g) **“Developer”** means the person or entity defined as such in the introductory paragraph of this Agreement, and includes all successors and assigns of that person or entity.
- (h) **“Entitlement”** means, collectively, (1) the City of Santa Clara Action on Sustainable Communities Project Exemption and Architectural Approval for a 200-Unit Affordable Mixed-Use Project Located at 80 Saratoga Avenue, File Number PLN21-15214, approved on September 14, 2022; (2) all permits issued pursuant any of the foregoing.
- (i) **“HCD”** means the California Department of Housing and Community Development.
- (j) **“Income Eligible Household”** shall mean a Lower Income Household which is eligible to rent a particular Affordable Unit.
- (k) **“Lower Income Households”** means lower income households, as defined by Section 50079.5 of the Health and Safety Code.
- (l) **“Lower Income Units”** mean Affordable Units restricted to occupancy by Lower Income Households at the applicable Affordable Rent.
- (m) **“Moderate Income Households”** means moderate income households, as defined by Section 50093 of the Health and Safety Code.
- (n) **“Monitoring Fee”** means the Multi-Family Monitoring Fee that is published in the City’s Municipal Fee Schedule and updated from time to time, to be paid annually by Developer to the City in accordance herewith (and which amount as of the date hereof is a fee of One Hundred Nineteen Dollars (\$122) per Non-TCAC).
- (o) **“Non-TCAC Unit”** means thirty-nine (39) of the Affordable Units designated as using Affordable Rents in the Unit Allocation.
- (p) **“Original Unit”** shall have the meaning defined in Section 7(b).
- (q) **“Project”** has the meaning defined in Recital C.
- (r) **“Property”** shall have the meaning defined in Recital A.
- (s) **“TCAC”** means the California Tax Credit Allocation Committee.
- (t) **“TCAC Rent”** means an amount consistent with the maximum rent levels

for a housing development that receives an allocation of state or federal low-income housing tax credits from TCAC and applicable to the particular Income Eligible Household, including any applicable Utility Allowance.

(u) “**TCAC Units**” means one hundred and fifty nine (159) of the Affordable Units designated as using TCAC Rents in the Unit Allocation.

(v) “**Unit Allocation**” means the unit allocation in Exhibit B attached hereto and incorporated herein by reference.

(w) “**Utility Allowance**” means an amount designated by the Santa Clara County Housing Authority as a reasonable estimate of the cost of utilities for an Income Eligible Household, for purposes of calculating the applicable Affordable Rent; provided, however, that the Utility Allowance for TCAC Units shall be based on the applicable TCAC Rent.

2. Project Approvals.

(b) The Project shall be developed and operated in accordance with the Entitlement, all applicable City zoning standards, as modified by the density bonus granted to the Project under the Density Bonus Ordinance and the State Density Bonus Code. The Project shall be constructed in compliance with all applicable building codes and standards, as such may be modified from time to time. The Recitals are hereby incorporated into this Agreement.

(c) Within twenty (20) business days of the recording of this Agreement, Developer shall provide evidence reasonably acceptable to the City that the recording and priority of this Agreement is in compliance with the Density Bonus Ordinance and State Density Bonus Code (the “**Recording Requirements**”). If the recording and priority of this Agreement is not in compliance with the Recording Requirements, then the City shall have the right to suspend building permits for the Project or withhold Certificates of Occupancy for the Project until Developer causes this Agreement to comply with the Recording Requirements to the City’s reasonable satisfaction.

3. Affordable Units.

(b) Developer hereby agrees that one hundred ninety eight (198) rental housing units in the Project shall be rented exclusively to Income Eligible Households at an Affordable Rent, and two (2) housing unit shall be a non-revenue manager’s unit.

(c) The Affordable Units shall set aside and leased in accordance with the Unit Allocation, and shall be no less attractive or desirable on average (whether because of convenient access, views, amenities, or other reasons) than the other units in the Project that are not the Affordable Units. The allocation of the Affordable Units shall not be changed without the prior written approval of the City Representative.

4. Income Limits and Affordable Rents. The applicable income limits and Affordable Rents for Affordable Units, including Utility Allowances, shall be those established under California Health & Safety Code Section 50053, as may be amended from time to time (which income limits in effect as of the date of this Agreement are attached hereto as Exhibit B

and incorporated herein by this reference), except that the TCAC Units shall be subject to TCAC Rents. It shall be the obligation of Developer to annually obtain from City or any other applicable source the applicable income limits and Affordable Rents, as they may be adjusted from time to time.

5. Publication and Notification of Availability of Affordable Units. Upon the request of the City Representative, whenever one or more Affordable Unit(s) becomes available, Developer shall publish notices of the availability of Affordable Units using commercially reasonable efforts, including but not limited to, in newspapers circulated widely in the City of Santa Clara, including newspapers that reach minority communities. The advertisements should briefly explain that the Project includes affordable housing, state the applicable income requirements, indicate where applications are available and provide a telephone number for questions. The City Representative will notify Developer of any changes to the publication requirement should the City's marketing and outreach program for Affordable Units be revised.

6. Tenant Qualification for Rental Units.

(b) Developer agrees to rent the Affordable Units solely to Income Eligible Households, at not more than the applicable Affordable Rent.

(c) Developer must take reasonable steps to certify the income level of prospective occupants of an Affordable Unit, at the time of the initial rental, and annually thereafter. Developer may request an income certification from the proposed occupant of the Affordable Unit in one or more of the following methods:

(i) Obtain two (2) most recent paycheck stubs from all proposed occupants;

(ii) Obtain a true copy of income tax returns from all proposed occupants for the most recent tax year in which a return was filed;

(iii) Obtain an income verification certification from the employer of all proposed occupants;

(iv) Obtain an income verification certification from the Social Security Administration and/or the California Department of Social Services if any proposed occupants receive assistance from such agencies; or

(v) Obtain an alternate form of income verification acceptable to the City Representative.

(c) Developer shall apply the same rental terms and conditions to tenants of Affordable Units as are applied to all other tenants, except as otherwise required to comply with this Agreement (i.e., rent levels, occupancy restrictions and income requirements) and/or government subsidy programs. Discrimination based on subsidies received by the prospective tenant is prohibited.

(d) Commencing upon the issuance of the Certificate of Occupancy,

Developer shall pay City on an annual basis, due on the same date as the Annual Report, the Monitoring Fee.

7. Changes in Tenant Income.

(a) If the income of a tenant occupying an Affordable Unit decreases below the category for which the tenant originally qualified, the tenant shall continue to have the right to reside in the Affordable Unit, provided the tenant pays the rent and performs his other obligations to Developer.

(b) If the income of a tenant occupying an Affordable Unit increases above the category for which the tenant originally qualified but remains below 140% of the AMI that originally qualified the tenant [or 60% AMI if an income averaging project], the tenant may remain in the unit (the "**Original Unit**") at the tenant's new applicable Affordable Rent, as long as the next vacant unit is re-designated for the income category previously applicable to the Original Unit.

(c) Units may be re-designated per Section 7(b) of this Agreement by entering into and recording an amendment to this Agreement, revising Exhibit B hereto.

(d) So long as the Developer complies with the procedures set forth in this Section 7, Developer shall not be in violation of this Agreement due to a tenant's income eventually exceeding the income limit for the Affordable Unit occupied by that tenant.

8. Waiting List for Affordable Housing Units.

(a) The City or its designee will maintain a waiting list of qualified persons which shall be provided to Developer upon notification of vacancy or pending vacancy.

(b) If City no longer maintains a waiting list, Developer shall be responsible for maintaining a written Waiting List of households that have contacted Developer and expressed an interest in an Affordable Housing Unit. That list shall include appropriate contact information for notifying the interested households when a vacancy in an Affordable Housing Unit occurs. Names on the Waiting List will be listed in order of the date of receipt of notice of interest and contact information from the prospective applicant. This Waiting List will be kept in Developer's offices and shall be available for City review with reasonable notice.

(c) Subject to Developer's use and application of its customary leasing criteria that is applied to all tenants at the Project (including, without limitation, credit checks, references, etc.), Developer shall select new tenants for the Affordable Housing Units in chronological order (oldest listing first). Developer shall provide evidence of attempts to contact households on the Waiting List, when requested by the City.

(d) Developer's selection of tenants in the Project shall give preference to Income-Qualified Households in accordance with the Santa Clara Local Preference Criteria, as may be amended from time to time, attached hereto as Exhibit D.

9. Utilization of Affordable Rental Units. All Affordable Units required by this

Agreement shall be leased or rented and fully utilized in accordance with this Agreement; no Affordable Unit shall be withdrawn from the market or otherwise held vacant. The Developer shall provide the City with written notice if any Affordable Unit is not occupied by an Income Eligible Household for more than 60 consecutive days; for each Affordable Unit, such 60-day period shall recommence after the first 60 days.

10. No Sublease. A tenant occupying an Affordable Unit may not sublet the unit without the written permission of both Developer and City, which may be withheld in its sole and absolute discretion. The City shall not grant permission to lease, rent, or sublet the unit if it finds that the prospective tenant or occupant is not an Income Eligible Household. Any individual who subleases an Affordable Unit in violation of the provisions of this Agreement shall be required to forfeit to City all monetary amounts so obtained.

11. Lease Agreement. The form of lease agreement between Developer or its agent and the tenant of any Affordable Unit shall be submitted to the City for its approval and shall include provisions providing for the implementation of Section 7 of this Agreement. If the City has not approved or responded within 10 business days, the Developer shall submit a written reminder, and if the City does not approve or respond to such reminder within an additional 10 business days, then the form of lease agreement shall be deemed approved. Notwithstanding anything to the contrary herein, any approval or deemed approval of the lease agreement by the City shall not relieve the Developer of any of its obligations hereunder. A fully executed copy of each lease agreement for an Affordable Unit shall be delivered to the City within ten (10) days after the date of its execution.

12. Maintenance of Units. Developer shall (a) maintain and operate all units on the Property so as to provide decent, safe and sanitary housing consistent with federal housing quality standards; (b) make any required repairs or provide any required cleanup and (c) provide the Affordable Units with the same levels of services and maintenance as are provided to the other dwelling units on the Property.

13. Affordable Unit Compliance Inspection and Certification. The City may inspect the Affordable Units (subject to the rights of tenant) and any documents or records relating thereto, at any reasonable time upon at least 48 hours prior written notice to determine Developer's compliance with this Agreement. Moreover, the Developer agrees to submit an annual report (the "**Annual Report**") certifying that all Affordable Units are being leased or rented in compliance with this Agreement no later than the September 30 of each year with respect to the preceding January 1 through December 31 period during the term of this Agreement. For TCAC Units, Developer shall submit a copy of the Tax Credit Allocation Committee(TCAC) Report annually at the same time the report is submitted to TCAC. Failure to provide the report to the City may result in the City charging a fee for compliance monitoring of TCAC units

14. Federal and State Laws. Notwithstanding the above provisions, nothing contained herein shall require Developer or City to do anything contrary to or refrain from doing anything required by Federal and State laws and regulations promulgated there under applicable to the construction, management, maintenance, and rental of Lower Income Households in the City of Santa Clara.

15. Prohibition Against Discrimination. Developer shall not discriminate against any tenant or potential tenant on the basis of sex, color, race, religion, ancestry, national origin, age, pregnancy, marital status, family composition, sexual orientation, or the potential or actual occupancy of minor children. Developer further agrees to take affirmative action to ensure that no such person is discriminated against for any of the above mentioned reasons.

16. Indemnification. Developer shall defend, indemnify and hold harmless the City of Santa Clara and its officers, agents, employees, representatives and volunteers from and against any loss, liability, claim, judgment or expenses relating to or arising from this Agreement, including those claims that arise out of either (a) a breach of this Agreement by Developer, (b) related in any manner to the Developers administration of this Agreement, or (c) arising out of the City's interest in this Agreement or Affordable Units. This indemnification shall not apply to Claims arising out of conduct of the City, its officers, agents, employees, representatives or volunteers independent of this Agreement or any conduct of the City, its officers, agents, employees, representatives, or volunteers that is willful or grossly negligent.

17. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of City and Developer, and their respective successors, owners and assigns. City reserves the right to designate another public agency or the Housing & Community Services Division of the City of Santa Clara to perform City's obligations or to exercise City's rights and options under this Agreement. Developer reserves the right, upon notice to the City, to freely transfer ownership of the Property to a limited partnership entity controlled by Developer (the "Partnership") and may assign all of its rights and obligations under this Agreement to the Partnership.

18. Burden to Run with Property. The covenants and conditions contained herein shall run with and burden the Property. Developer shall expressly make the conditions and covenants in this Agreement a part of any deed or other instrument conveying an interest in the Property.

19. Notices. Any notices or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile or overnight courier service during Consultant's and City's regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below:

To Developer:

Pacific West Communities, Inc.
430 E. State Street, Suite 100
Eagle, ID 83616
Attn: Caleb Roope

With a copy to:

Central Valley Coalition for Affordable Housing
3351 M Street, Suite 100
Merced, CA 95348
Attn: Christina Alley

With a copy to:

TPC Holdings IX, LLC
430 E. State Street, Suite 100
Eagle, ID 83616
Attn: Caleb Roope

To City:

City of Santa Clara
Housing & Community Services Division
1500 Warburton Avenue
Santa Clara, California 95050
Attention: Division Manager

With a copy to:

City of Santa Clara
1500 Warburton Avenue
Santa Clara, California 95050
Attention: City Attorney

The parties may subsequently change addresses by providing written notice of the change in address to the other parties in accordance with this Section 18.

20. Governing Law. The laws of the State of California shall govern this Agreement. Any legal action brought under this Agreement must be instituted in the Superior Court of the County of Santa Clara, State of California, in an appropriate municipal court in that County, or in Federal District Court in the Northern District of California.

21. Attorney's Fees. In any action brought to declare the rights granted herein or to enforce or to interpret any of the terms of this Agreement, the prevailing party shall be entitled to an award of reasonable attorney's fees in an amount determined by the court.

22. Costs and Expenses. The Developer shall pay all costs and expenses incurred to comply with its obligations arising from this Agreement and incurred by the City or its Housing & Community Services Division and arising from this Agreement, including the review of any requests for approvals made by the Developer.

23. Non-Waiver. Failure to exercise any right City may have or be entitled to, in the event of default hereunder shall not constitute a waiver of such right or any other right in the event of a subsequent default.

24. Further Assurances and Recordation. Developer shall execute any further documents consistent with the terms of this Agreement, including documents in recordable form and do such further acts as may be necessary, desirable or proper as City shall from time to time find necessary or appropriate to effectuate its purpose in entering into this Agreement.

25. Entire Agreement. The text herein and attachments, constitutes the entire agreement between the parties with respect to the matter described herein. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. 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 any other agreement, statement or promise not contained in this Agreement shall not be valid or binding.

26. Amendment of This Agreement.

(a) Generally. This Agreement may be amended from time to time in whole or in part by mutual consent of the original parties or their successors in interest, in accordance with this Agreement, the Santa Clara City Code and California law.

(b) Administrative Amendments. Notwithstanding subdivision (a) of this Section, any amendment to this Agreement, whether requested by Developer or City, which does not relate to the term set forth in Section 17 or Section 27; the number, percentage or type of Affordable Units; or the number or type of any incentives or concessions given by the City, may be determined by the City Representative to be an Administrative Amendment and if so, the City Representative shall approve the Administrative Amendment without notice or hearing, and this Agreement and its pertinent exhibits shall be automatically amended without further action by the parties. A memorandum of the amendment shall be executed and recorded to reflect such Administrative Amendment.

27. Term of Agreement. The covenants and restrictions contained in the Agreement shall remain in effect for fifty-five (55) years from the date of Certificate of Occupancy issuance for the Project, including all of the Affordable Units.

28. Severability. If any article, section, subsection, term or provision of this Agreement, or the application thereof to any party or circumstance, shall, to any extent, be invalid or unenforceable, the remainder of the article, section, subsection, term or provision of this Agreement, or the application of the same to parties or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each remaining article, section, subsection, term or provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

29. Enforcement. The City of Santa Clara is deemed to be the beneficiary of the terms and provisions of this Agreement and the covenants herein, both for and in its own right and for the purposes of protecting the interests of the community and other parties, public or private, for whose benefit this Agreement and the covenants running with the land have been provided. The City shall have the right if any covenants set forth in this Agreement are breached, to exercise all available rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it is entitled. No remedy herein conferred upon or reserved by the City is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity

or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of such right or power, but any such right or power may be exercised from time to time and as often as City may deem expedient. In order to entitle the City to exercise any remedy reserved to it in this Agreement, it shall not be necessary to give any notice, other than such notice as may be herein expressly required or required by law to be given.

Developer agrees that, if a breach is not cured within thirty (30) days after written notice by City is provided to Developer, or if such breach cannot be reasonably cured within the thirty (30) day period and Developer has not commenced the curing of such Default, then City shall have all rights and remedies at law or in equity to enforce the curing of such Default.

Additionally, if Developer collects rents from Income-Qualified Households occupying the Affordable Housing Units that require such Income-Qualified Household tenants to pay rent in excess of what is permitted pursuant to this Agreement, and to the extent such excess rents are not required to be reimbursed to the tenants of such Affordable Housing Units, Developer agrees and covenants to reimburse such tenants within ten (10) business days of City's written demand, provided if such tenants cannot be located then the Developer shall pay to the City the full amount of such excess to the City. Developer and City agree that the payment of such excess rent shall be in addition to City's rights and remedies at law or equity.

30. If the City provides Developer with a written notice of violation of this Agreement and Developer has not cured or responded to such notice of violation within one hundred and twenty (120) days, then in addition to City's rights and remedies set forth herein, City shall thereafter have the right to impose a fine of \$150 per month per non-compliant unit until Developer has cured or responded to the notice of violation. Developer shall pay such fine within thirty (30) days of City's written demand.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

City:

CITY OF SANTA CLARA,
a chartered California municipal corporation

By: _____
Jōvan D. Grogan, City Manager

APPROVED AS TO FORM:

By: _____
Glen R. Googins, City Attorney

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 2023, before me, _____,
Notary Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

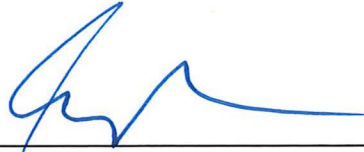
[SIGNATURES CONTINUED ON FOLLOWING PAGE]

Developer:

Pacific West Communities, Inc., an Idaho Corporation

By:

By:



Caleb Roope, President

[ATTACH NOTARY ACKNOWLEDGMENT]

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF ~~CALIFORNIA~~ ^{Idaho})
) ss:
COUNTY OF Ada)

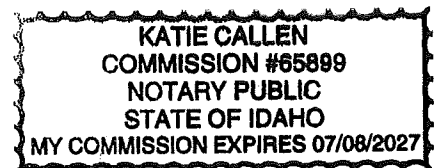
On June 15, 2023, before me Katie Callen,
Notary Public, personally appeared Caleb Roppe,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of ~~California~~ ^{Idaho} that
the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Katie Callen



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 2023, before me, _____,
Notary Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that
the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

Real property in the City of Santa Clara, County of Santa Clara, State of California, described as follows:

THAT CERTAIN PARCEL SHOWN AND DESIGNATED AS "1.980 ACRES" ON THAT CERTAIN PARCEL MAP FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA IN BOOK 333 OF PARCEL MAPS AT PAGE 32.

APN: 294-38-016

EXHIBIT B

Restricted Unit Type	Number of Restricted Units	Affordability Type		Maximum Tenant Household Income
		Very Low Income	Low Income	
BR - Bedroom / BA - Bathroom				
Studio	8	X		30% AMI
Studio	8	X		50% AMI
Studio	52		X	60% AMI
Studio	3		X	80% AMI
1BR/1BA	3	X		30% AMI
1BR/1BA	3	X		50% AMI
1BR/1BA	12		X	60% AMI
1BR/1BA	3		X	80% AMI
2BR/1BA	6	X		30% AMI
2BR/1BA	6	X		50% AMI
2BR/1BA	39		X	60% AMI
2BR/1BA	3		X	80% AMI
3BR/2BA	3	X		30% AMI
3BR/2BA	3	X		50% AMI
3BR/2BA	16		X	60% AMI
3BR/2BA	30		X	80% AMI
Total Restricted Units	198			
Total Non-Restricted Units	2	Manager		
Total Project Units	200			

EXHIBIT C

INCOME LIMITS

The following was issued by HCD pursuant to the *Memorandum dated June 6, 2023, Subject: State Income Limits for 2023*:

Number of Persons in Household:		1	2	3	4	5	6	7	8
Santa Clara County Area Median Income: \$181,300	Acutely Low	19050	21750	24500	27200	29400	31550	33750	35900
	Extremely Low	37450	42800	48150	53500	57800	62100	66350	70650
	Very Low Income	62450	71400	80300	89200	96350	103500	110650	117750
	Low Income	96000	109700	123400	137100	148100	159050	170050	181000
	Median Income	126900	145050	163150	181300	195800	210300	224800	239300
	Moderate Income	152300	174050	195800	217550	234950	252350	269750	287150

<https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/income-limits-2023.pdf>

EXHIBIT D
LOCAL PREFERENCE CRITERIA FOR CITY OF SANTA CLARA'S AFFORDABLE HOUSING PROGRAM

The City has established a priority system for allocating the limited number of affordable rental units. Priority shall be given to income eligible Households/ applicants who meet the City of Santa Clara Preference Criteria below. Please note the Preference Criteria will not be allowed if not permitted by state or federal law or other fair housing restrictions.

The preference system will be used to establish a ranking of applicants. Households that meet priority 1, will be reviewed first, then 2nd priority, so on so forth. Preferences will be evaluated at the time of opportunity drawing submission and verified prior to occupancy.

CITY OF SANTA CLARA'S PREFERENCE/PRIORITY CRITERIA

1st Priority Level (Live AND Work)	At least one household member who both (lives and works) <ul style="list-style-type: none"> Currently lives within the City Limits of the City of Santa Clara and for at least the past 6 months at the time of application <p style="text-align: center;">AND</p> <ul style="list-style-type: none"> Currently operates a business or is currently employed by a business or a public or quasi-public agency in the City of Santa Clara for at least the past 6 months at the time of application.
2nd Priority Level	At least one household member who currently lives within the City Limits of the City of Santa Clara and for at least the past 6 months at the
3rd Priority Level (Works)	At least one household member who currently operates a business or is currently employed by a business or a public or quasi-public agency in the City of Santa Clara and for at least the past 6 months at the time of application.
4th Priority Level (All others)	Any other qualified applicant household without regard to residency or employment.
Notes:	<ul style="list-style-type: none"> <i>The qualifying household member must be the person or a dependent of a person whose name will appear on the lease and who will use the unit as their primary residence.</i> <i>For residency and employment based preferences the person must currently meet the criteria and for at least the past 6 months at the time of application (drawing entry).</i>

Approved July 13,2021 RTC 21-880

EXHIBIT E
SCHEDULE OF COMPLETION AND OCCUPANCY TARGETS

Construction Completion – 12/15/2025

Full Occupancy – 10/1/2026

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA
DELEGATING AUTHORITY TO THE CITY MANAGER TO
NEGOTIATE AND EXECUTE DENSITY BONUS HOUSING
AGREEMENTS THAT ARE CONSISTENT WITH THE TERMS OF
SANTA CLARA CITY CODE SECTION 18.78.060 IN A FORM
ACCEPTABLE TO THE CITY ATTORNEY**

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, the City has established the Density Bonus Ordinance (DBO), Santa Clara City Code (SCCC) Chapter 18.78 entitled "Residential Density Bonus Standards," under State Density Bonus Law in accordance with California Government Code Section 65915 et seq.;

WHEREAS, the DBO, grants a density bonus and regulatory concessions and/or incentives when a developer seeks and agrees to provide a minimum number of housing units with affordable rents to very low or lower income households;

WHEREAS, the Developer is required to record a Density Bonus Housing Agreement (DBA) restricting the units in accordance with State Density Bonus Law and the DBO prior to issuance of building permits.

WHEREAS, several DBA agreements are requested annually and are typically routine documents that are on a form agreement consistent with the DBO and more specifically SCCC 18.78.060;

WHEREAS, delegating signature authority to the City Manager to execute DBAs would streamline the review and approval process of these routine agreements;

WHEREAS, City Council approval would be required for any DBAs that are inconsistent with the City's DBO; and

WHEREAS, the City Manager would be authorized to execute DBA on forms that are in conformance with SCCC 18.78 and subject to the approval as to form by the Office of the City Attorney.

//

//

//

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. That the Santa Clara City Council ("Council") hereby grants to the City Manager, or their designee, the authority to negotiate and execute density bonus agreements and any amendments thereto that are in conformance with the requirements provided under Chapter 18.78, entitled "Residential Density Bonus Standards," subject to approval as to form by the Office of the City Attorney.

2. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE SANTA CLARA CITY COUNCIL, AT A REGULAR MEETING THEREOF HELD ON THE ____ DAY OF _____, 2023, BY THE FOLLOWING VOTE:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAINED: BOARD MEMBERS:

ATTEST:

NORA PIMENTEL, MMC
Assistant City Clerk



Agenda Report

23-481

Agenda Date: 6/27/2023

REPORT TO COUNCIL

SUBJECT

Action on Amendment No. 1 with PFM Asset Management LLC for Investment Management Services

COUNCIL PILLAR

Manage Strategically Our Workforce Capacity and Resources

BACKGROUND

In July 2020, the City Council approved an agreement with PFM Asset Management LLC (PFMAM) to provide investment advisory and portfolio management services after a competitive Request for Proposal (RFP) process. The initial term of the agreement is three years ending on July 31, 2023, plus two option years for a total of five years if all options are exercised.

Under the agreement, PFMAM serves as the City's external investment manager for a pooled portfolio with a value of \$847 million as of March 31, 2023. Of this amount, approximately \$69 million is invested with the State's Local Agency Investment Fund (LAIF) and California Asset Management Program (CAMP) to meet the City's liquidity needs. PFMAM provides investment advice on City's overall portfolio strategy and actively manages a core securities portfolio.

Prior to engagement of PFMAM, the City's portfolio was internally managed and staff conservatively invested City funds mainly in Treasury and Government Agency Notes due to limited capacity and resources. Under PFMAM, the portfolio has diversified into other allowable investments, in accordance with applicable California State Codes, with higher yield potential, such as corporate notes, asset-backed securities, and municipal notes.

Under PFMAM's management, the City's core securities portfolio has generated over \$30 million in interest earnings with total returns outperforming the ICE BofAML 1-5 Year U.S. Treasury Index, City's benchmark, by 20 basis points.

DISCUSSION

PFMAM was contracted by the City as part of an investment strategy transition from an internally managed portfolio that was 100% allocated to federal government-issued U.S. Treasuries and Federal Agency Securities, to one that leverages the expertise of a professional firm to diversify the City's portfolio and expand yield, where possible. It has taken a good portion of the original three-year initial term to transition the City's portfolio to one that is diversified in risk, balanced, and maximizes yield.

Staff is requesting authority to extend the initial term by five years to July 31, 2028, plus two option years for a total of 10 years if all options are exercised. Because the current agreement contains two one-year options with increasing fees, staff negotiated with PFMAM to keep pricing the same, with

the potential to add another year to the contract. The proposed Amendment No. 1 will enable the City to take advantage of a competitive fee schedule and realize total savings of \$30,000 in years 4 and 5 when compared to the original agreement. Further, the amendment will allow the continuity and efficiency of keeping PFMAM for additional time, while continuing to enhance yields and total returns for the City's portfolio.

In proposed Amendment No.1, the fee basis points (bps) has been reduced from 5.2 bps to 4.9 bps after the initial term and held at 4.9 bps for the remainder of the agreement, including optional years. The maximum annual fee will increase from \$305,000 to \$325,000 and be capped at \$325,000 for the next five years, which provides the City with price stability. The proposed fee cap increase is commensurate with recent inflation figures and is below the \$340,000 level that was included in the original option years. The fee cap is subject to an annual Cost-of-Living Adjustment (COLA) in optional years 9 and 10, based on Consumer Price Index, with the COLA capped at 3.64% per annum. Staff compared the fees and fee cap to several Bay Area local agencies with comparable portfolios managed by external investment managers to confirm City's favorable terms.

The proposed compensation is detailed below:

Original Fee Schedule	Original Not-to-Exceed Total Fees	Amendment No. 1 Fee Schedule	Amendment No. 1 Not-to-Exceed Total Fees
Year 1: 4.2 bps (0.042% of the portfolio value)	\$ 255,000	Year 1: No Change	\$ 255,000
Year 2: 4.7 bps (0.047% of the portfolio value)	\$ 280,000	Year 2: No Change	\$ 280,000
Year 3: 5.2 bps (0.052% of the portfolio value)	\$ 305,000	Year 3: No Change	\$ 305,000
Total Initial Term	\$ 840,000		
Year 4: 5.2 bps (0.052% of the portfolio value) <i>Option Year 1</i>	\$ 340,000*	Year 4: 4.9 bps (0.049% of the portfolio value)	\$ 325,000
Year 5: 5.2 bps (0.052% of the portfolio value) <i>Option Year 2</i>	\$ 340,000*	Year 5: 4.9 bps (0.049% of the portfolio value)	\$ 325,000
Total July 1, 2020 - July 31, 2025	\$1,520,000*		\$1,490,000
		Year 6: 4.9 bps (0.049% of the portfolio value)	\$ 325,000

		Year 7: 4.9 bps (0.049% of the portfolio value)	\$ 325,000
		Year 8: 4.9 bps (0.049% of the portfolio value)	\$ 325,000
Total July 1, 2020 - July 31, 2028		Total Amended Initial Term	\$2,465,000

**Estimated amounts*

Original Fee Schedule	Original Not-to- Exceed Total Fees	Amendment No. 1 Fee Schedule	Amendment No. 1 Not-to-Exceed Total Fees
		Year 9: 4.9 bps (0.049% of the portfolio value) <i>Option Year 1</i>	\$ 337,000
		Year 10: 4.9 bps (0.049% of the portfolio value) <i>Option Year 2</i>	\$ 349,000
Total July 1, 2020 - July 31, 2030		Estimated Maximum Compensation	\$3,151,000

ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to section 15378(b)(4) of Title 14 of the California Code of Regulations as the proposed services are administrative activities that have no potential for resulting in either a direct or indirect physical change in the environment.

FISCAL IMPACT

The agreement has an amended not-to-exceed amount of \$2,465,000 for the initial term through July 31, 2028 and total of \$3,151,000 including the two optional years. The costs have been included in the FY 2023/24 & 2024/25 Proposed Biennial Operating Budget. Funding for the remaining term will be incorporated into future budgets.

COORDINATION

This report has been coordinated with the City Attorney’s Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City’s official-notice bulletin board

outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Approve and authorize the City Manager to execute Amendment No. 1 to the Agreement with PFM Asset Management LLC for Investment Management Services to extend the initial term of the Agreement to end on July 31, 2028 and increase compensation by \$1,625,000 for a revised total maximum amount not to exceed \$2,465,000, subject to the appropriation of funds; and
2. Authorize the City Manager to exercise options, by an amendment of the Agreement subject to review and approval as to form by the City Attorney, to extend the term of the Agreement for two additional years to July 31, 2030 and increase compensation by \$686,000 for a revised total maximum amount not to exceed \$3,151,000, subject to the appropriation of funds.

Reviewed by: Kenn Lee, Director of Finance

Approved by: Jōvan D. Grogan, City Manager

ATTACHMENTS

1. Amendment No. 1 with PFM Asset Management LLC
2. Agreement with PFM Asset Management LLC

**AMENDMENT NO. 1
TO THE AGREEMENT FOR SERVICES
BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA,
AND
PFM ASSET MANAGEMENT LLC**

PREAMBLE

This agreement ("Amendment No. 1") is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and PFM Asset Management LLC, a Delaware limited liability company (Contractor). City and Contractor may be referred to individually as a "Party" or collectively as the "Parties."

RECITALS

- A. The Parties previously entered into an agreement entitled "Agreement for Services Between the City of Santa Clara, California, and PFM Asset Management LLC", dated July 21, 2020 (Agreement) for the purpose of having Contractor provide full-time investment management services; and
- B. The Parties now wish to (i) amend the Agreement to extend the term of the Agreement by five years to July 31, 2028 with option of another two years; and (ii) increase compensation by One Million Six Hundred Twenty-Five Thousand Dollars (\$1,625,000) to a revised not to exceed maximum compensation amount of Two Million Four Hundred Sixty-Five Thousand Dollars (\$2,465,000).

NOW, THEREFORE, the Parties agree as follows:

AMENDMENT TERMS AND CONDITIONS

- 1. Section 2 of the Agreement, entitled "Term of Agreement" is amended in its entirety to read as follows:

"Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement shall begin on August 1, 2020 and terminate on July 31, 2028. The City reserves the right, at its own sole discretion, to extend the term of this Agreement for up to two (2) additional one-year options or one (1) additional two-year option through July 31, 2030."

- 2. Section 7 of the Agreement, entitled "Compensation and Payment" is amended in its entirety to read as follows:

"In consideration for Contractor's complete performance of Services, City shall

pay Contractor for all materials provided and Services rendered by Contractor in accordance with First Revised Exhibit B, entitled "SCHEDULE OF FEES." The maximum compensation of this Agreement is Two Million Four Hundred Sixty-Five Thousand Dollars (\$2,465,000) during the Term stipulated in Section 2 of the Agreement, subject to budget appropriations, which includes all payments that may be authorized for Services and for expenses, supplies, materials and equipment required to perform the Services. All work performed or materials provided in excess of the maximum compensation shall be at Contractor's expense. Contractor shall not be entitled to any payment above the maximum compensation under any circumstance."

3. Except as set forth herein, all other terms and conditions of the Agreement shall remain in full force and effect. In case of a conflict in the terms of the Agreement and this Amendment No. 1, the provisions of this Amendment No. 1 shall control.

The Parties acknowledge and accept the terms and conditions of this Amendment No. 1 as evidenced by the following signatures of their duly authorized representatives.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form:

Dated: _____

GLEN R. GOOGINS
City Attorney
City of Santa Clara

JOVAN D. GROGAN
City Manager
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

"CITY"

PFM ASSET MANAGEMENT LLC
A DELAWARE LIMITED LIABILITY COMPANY

Dated: 6/21/2023

By (Signature): 

Name: Monique Spyke

Title: Managing Director

1 California Street

Principal Place of Suite 1000
Business Address: San Francisco, CA 94111

Email Address: spykem@pfmam.com

Telephone: (415) 393-7259

Fax: ()

"CONTRACTOR"

FIRST REVISED EXHIBIT B
SCHEDULE OF FEES

1. MAXIMUM COMPENSATION

- 1.1.** The maximum compensation the City will pay the Contractor for all professional fees, costs and expenses provided under this Agreement shall not exceed Two Million Four Hundred Sixty-Five Thousand Dollars (\$2,465,000) during the Term of the Agreement and Amendment No. 1.
- 1.2.** Any additional professional fees, costs and expenses requested by the City that would exceed the preceding maximum amount will be addressed in an Amendment to the Agreement. No additional services will be performed unless both Parties execute an Amendment outlining the services requested and the compensation agreed for such services.

2. FEES

- 2.1.** For its services, Contractor shall receive an investment fee as set forth below:

Schedule	Fee Cap
Year 1: 4.2 basis points	Not to exceed \$255,000
Year 2: 4.7 basis points	Not to exceed \$280,000
Year 3: 5.2 basis points	Not to exceed \$305,000
Year 4: 4.9 basis points	Not to exceed \$325,000
Year 5: 4.9 basis points	Not to exceed \$325,000
Year 6: 4.9 basis points	Not to exceed \$325,000
Year 7: 4.9 basis points	Not to exceed \$325,000
Year 8: 4.9 basis points	Not to exceed \$325,000
Year 9: 4.9 basis points	Not to exceed \$325,000 + COLA (see Section 2.1.1 below)
Year 10: 4.9 basis points	Not to exceed \$325,000 + COLA (see Section 2.1.1 below)

2.1.1. For Years 9 and 10:

- 2.1.1.1.** Cost-of-Living Adjustment (COLA) shall be in line with the Consumer Price Index (CPI), calculated annually and then average over the term.
- 2.1.1.2.** CPI is CPI-U, All items in U.S. city average, all urban consumers, not seasonally adjusted, which is Series CUUR00000SA0 defined by U.S. Bureau of Labor Statistics.

2.1.1.3. COLA will be the lesser of actual calculated or 3.64%. In no event shall the COLA be negative.

3. INVOICING

Contractor will bill City on a monthly basis for Services provided by Contractor during the preceding month on an invoice and in a format approved by City and subject to verification and approval by City. City will pay Contractor within thirty (30) days of City's receipt of an approved invoice.

**AGREEMENT FOR SERVICES
BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA,
AND
PFM ASSET MANAGEMENT LLC**

PREAMBLE

This Agreement is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and PFM Asset Management LLC, a Delaware limited liability company (Contractor). City and Contractor may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

- A. City desires to secure the services more fully described in this Agreement, at Exhibit A, entitled "Scope of Services";
- B. Contractor represents that it, and its subcontractors, if any, have the professional qualifications, expertise, necessary licenses and desire to provide certain goods and/or required services of the quality and type which meet objectives and requirements of City; and,
- C. The Parties have specified herein the terms and conditions under which such services will be provided and paid for.

The Parties agree as follows:

AGREEMENT TERMS AND CONDITIONS

1. AGREEMENT DOCUMENTS

The documents forming the entire Agreement between City and Contractor shall consist of these Terms and Conditions and the following Exhibits, which are hereby incorporated into this Agreement by this reference:

Exhibit A – Scope of Services

Exhibit B – Schedule of Fees

Exhibit C – Insurance Requirements

This Agreement, including the Exhibits set forth above, contains all the agreements, representations and understandings of the Parties, and supersedes and replaces any previous agreements, representations and understandings,

whether oral or written. In the event of any inconsistency between the provisions of any of the Exhibits and the Terms and Conditions, the Terms and Conditions shall govern and control.

2. TERM OF AGREEMENT

Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement shall begin on August 1, 2020 and terminate on July 31, 2023 (Initial Term). The City reserves the right, at its own sole discretion, to extend the term of this Agreement for up to two (2) additional one-year options through July 31, 2025.

3. SCOPE OF SERVICES & PERFORMANCE SCHEDULE

Contractor shall perform those Services specified in Exhibit A within the time stated in Exhibit A. Time is of the essence.

4. WARRANTY

Contractor expressly warrants that all materials and services covered by this Agreement shall be performed with the degree of skill and care in accordance with industry standards, requirements and instructions upon which this Agreement is based. Contractor agrees to promptly replace or correct any incomplete, inaccurate or defective Services at no further cost to City when defects are due to the negligence, errors or omissions of Contractor. If Contractor fails to promptly correct or replace materials or services, City may make corrections or replace materials or services and charge Contractor for the cost incurred by City.

5. QUALIFICATIONS OF CONTRACTOR - STANDARD OF CARE

Contractor represents and maintains that it has the expertise in the professional calling necessary to perform the Services, and its duties and obligations, expressed and implied, contained herein, and City expressly relies upon Contractor's representations regarding its skills and knowledge. Contractor shall perform such Services and duties in conformance to and consistent with the professional standards of a specialist in the same discipline in the State of California.

6. CONFLICT OF INTEREST (FORM 700)

In accordance with the California Political Reform Act (Government Code section 81000 et seq.) and the City's Conflict of Interest Code, Contractor shall cause each person who will be principally responsible for providing the service and deliverables under this Agreement as having to file a Form 700 to do each of the following:

- A. Complete and file the Form 700 no later than thirty (30) calendar days after the date the person begins performing services under the Agreement and all subsequent Form 700s in conformance with the requirements specified in the California Political Reform Act; and
- B. File the Form 700 with the City's Clerk Office.

7. COMPENSATION AND PAYMENT

In consideration for Contractor's complete performance of Services, City shall pay Contractor for all materials provided and Services rendered by Contractor in accordance with Exhibit B, entitled "SCHEDULE OF FEES." The maximum compensation of this Agreement is Eight Hundred Forty Thousand Dollars (\$840,000) during the Initial Term, subject to budget appropriations, which includes all payments that may be authorized for Services and for expenses, supplies, materials and equipment required to perform the Services. All work performed or materials provided in excess of the maximum compensation shall be at Contractor's expense. Contractor shall not be entitled to any payment above the maximum compensation under any circumstance.

8. TERMINATION

- A. Termination for Convenience. City shall have the right to terminate this Agreement, without cause or penalty, by giving not less than Thirty (30) days' prior written notice to Contractor.
- B. Termination for Default. Either Party may terminate this Agreement upon written notice to the other Party, if the other Party breaches a material term of this Agreement and such breach remains uncured for thirty (30) days after the other Party's receipt of such notice.
- C. Upon termination, each Party shall assist the other in arranging an orderly transfer and close-out of services. As soon as possible following the notice of termination, but no later than ten (10) days after the notice of termination, Contractor will deliver to City all City information or material that Contractor has in its possession.

9. ASSIGNMENT AND SUBCONTRACTING

City and Contractor bind themselves, their successors and assigns to all covenants of this Agreement. This Agreement shall not be assigned or transferred without the prior written approval of City. Contractor shall not hire subcontractors without express written permission from City.

Contractor shall be as fully responsible to City for the acts and omissions of its subcontractors, and of persons either directly or indirectly employed by them, as Contractor is for the acts and omissions of persons directly employed by it.

10. NO THIRD PARTY BENEFICIARY

This Agreement shall not be construed to be an agreement for the benefit of any third party or parties and no third party or parties shall have any claim or right of action under this Agreement for any cause whatsoever.

11. INDEPENDENT CONTRACTOR

Contractor and all person(s) employed by or contracted with Contractor to furnish labor and/or materials under this Agreement are independent contractors and do not act as agent(s) (except with respect to the purchase and sale of portfolio securities managed by Contractor) or employee(s) of City. Contractor has full rights to manage its employees in their performance of Services under this Agreement.

12. CONFIDENTIALITY OF MATERIAL

All ideas, memoranda, specifications, plans, manufacturing procedures, data, drawings, descriptions, documents, discussions or other information developed or received by or for Contractor and all other written information submitted to Contractor in connection with the performance of this Agreement shall be held confidential by Contractor and shall not, without the prior written consent of City or unless required by law or judicial or regulatory process, be used for any purposes other than the performance of the Services nor be disclosed to an entity not connected with performance of the Services. Nothing furnished to Contractor which is otherwise known to Contractor or becomes generally known to the related industry shall be deemed confidential.

13. OWNERSHIP OF MATERIAL

All material, which shall include, but not be limited to, data, sketches, tracings, drawings, plans, diagrams, quantities, estimates, specifications, proposals, tests, maps, calculations, photographs, reports, designs, technology, programming, works of authorship and other material developed, collected, prepared or caused to be prepared under this Agreement shall be the property of City but Contractor may retain and use copies thereof. City shall not be limited in any way or at any time in its use of said material. However, Contractor shall not be responsible for damages resulting from the use of said material for work other than Project, including, but not limited to, the release of this material to third parties.

14. RIGHT OF CITY TO INSPECT RECORDS OF CONTRACTOR

City, through its authorized employees, representatives or agents shall, upon reasonable advance notice, have the right during the term of this Agreement and for four (4) years from the date of final payment for goods or services provided under this Agreement, to audit the books and records of Contractor for the purpose of verifying any and all charges made by Contractor in connection with Contractor compensation under this Agreement, including termination of

Contractor. Contractor agrees to maintain sufficient books and records in accordance with generally accepted accounting principles to establish the correctness of all charges submitted to City. Any expenses not so recorded shall be disallowed by City. Contractor shall bear the cost of the audit if the audit determines that there has been a substantial billing deviation in excess of five (5) percent adverse to the City.

Contractor shall submit to City any and all reports concerning its performance under this Agreement that may be requested by City in writing. Contractor agrees to assist City in meeting City's reporting requirements to the State and other agencies with respect to Contractor's Services hereunder.

15. HOLD HARMLESS/INDEMNIFICATION

- A. To the extent permitted by law, Contractor agrees to protect, defend, hold harmless and indemnify City, its City Council, commissions, officers, employees, volunteers and agents from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all costs and attorney's fees in providing a defense to any such claim or other action, and whether sounding in law, contract, tort, or equity, in any manner arising from, or alleged to arise in whole or in part from, or in any way connected with the Services negligently or intentionally wrongfully performed by Contractor pursuant to this Agreement – including claims of any kind by Contractor's employees or persons contracting with Contractor to perform any portion of the Scope of Services – and shall expressly include passive or active negligence by City connected with the Services. However, the obligation to indemnify shall not apply if such liability is ultimately adjudicated to have arisen through the sole active negligence or sole willful misconduct of City; the obligation to defend is not similarly limited.
- B. Contractor's obligation to protect, defend, indemnify, and hold harmless in full City and City's employees, shall specifically extend to any and all employment-related claims of any type brought by employees, contractors, subcontractors or other agents of Contractor, against City (either alone, or jointly with Contractor), regardless of venue/jurisdiction in which the claim is brought and the manner of relief sought.
- C. To the extent Contractor is obligated to provide health insurance coverage to its employees pursuant to the Affordable Care Act ("Act") and/or any other similar federal or state law, Contractor warrants that it is meeting its obligations under the Act and will fully indemnify and hold harmless City for any penalties, fines, adverse rulings, or tax payments associated with Contractor's responsibilities under the Act.

16. INSURANCE REQUIREMENTS

During the term of this Agreement, and for any time period set forth in Exhibit C, Contractor shall provide and maintain in full force and effect, at no cost to City, insurance policies as set forth in Exhibit C.

17. WAIVER

Contractor agrees that waiver by City of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement. Neither City's review, acceptance nor payments for any of the Services required under this Agreement shall be constructed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

18. NOTICES

All notices to the Parties shall, unless otherwise requested in writing, be sent to City addressed as follows:

City of Santa Clara
Attention: Finance Department
1500 Warburton Avenue
Santa Clara, CA 95050
and by e-mail at finance@santaclaraca.gov, and
manager@santaclaraca.gov

And to Contractor addressed as follows:

PFM Asset Management LLC
Attention: Monique Spyke, Managing Director
50 California Street
Suite 2300
San Francisco, CA 94111
and by e-mail at spykem@pfm.com

with a copy to:

PFM Asset Management LLC
Attention: Controller
1735 Market Street, 43rd Floor
Philadelphia, PA 19103
and by email at controller@pfm.com

The workday the e-mail was sent shall control the date notice was deemed given. An e-mail transmitted after 1:00 p.m. on a Friday shall be deemed to have been transmitted on the following business day.

19. COMPLIANCE WITH LAWS

Contractor shall comply with all applicable laws and regulations of the federal, state and local government, including but not limited to “The Code of the City of Santa Clara, California” (“SCCC”). In particular, Contractor’s attention is called to the regulations regarding Campaign Contributions (SCCC Chapter 2.130), Lobbying (SCCC Chapter 2.155), Minimum Wage (SCCC Chapter 3.20), Business Tax Certificate (SCCC section 3.40.060), and Food and Beverage Service Worker Retention (SCCC Chapter 9.60), as such Chapters or Sections may be amended from time to time or renumbered. Additionally Contractor has read and agrees to comply with City’s Ethical Standards (<http://santaclaraca.gov/home/showdocument?id=58299>).

20. CONFLICTS OF INTEREST

Contractor certifies that to the best of its knowledge, no City officer, employee or authorized representative has any financial interest in the business of Contractor and that no person associated with Contractor has any interest, direct or indirect, which could conflict with the faithful performance of this Agreement. Contractor is familiar with the provisions of California Government Code section 87100 and following, and certifies that it does not know of any facts which would violate these code provisions. Contractor will advise City if a conflict arises.

21. FAIR EMPLOYMENT

Contractor shall not discriminate against any employee or applicant for employment because of race, sex, color, religion, religious creed, national origin, ancestry, age, gender, marital status, physical disability, mental disability, medical condition, genetic information, sexual orientation, gender expression, gender identity, military and veteran status, or ethnic background, in violation of federal, state or local law.

22. NO USE OF CITY NAME OR EMBLEM

Contractor shall not use City’s name, insignia, or emblem, or distribute any information related to services under this Agreement in any magazine, trade paper, newspaper or other medium without express written consent of City.

23. GOVERNING LAW AND VENUE

This Agreement shall be governed and construed in accordance with the statutes and laws of the State of California. The venue of any suit filed by either Party shall be vested in the state courts of the County of Santa Clara, or if appropriate, in the United States District Court, Northern District of California, San Jose, California.

24. SEVERABILITY CLAUSE

In case any one or more of the provisions in this Agreement shall, for any reason, be held invalid, illegal or unenforceable in any respect, it shall not affect the validity of the other provisions, which shall remain in full force and effect.

25. AMENDMENTS

This Agreement may only be modified by a written amendment duly authorized and executed by the Parties to this Agreement.

26. COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which shall constitute one and the same instrument.

27. INVESTMENT ADVISOR PROVISIONS

- A. Services of Contractor. City hereby engages Contractor to serve as investment manager under the terms of this Agreement with respect to the funds described in Exhibit A, Section 1 to this Agreement and such other funds as City may from time to time assign by written notice to Contractor (collectively the "Managed Funds"), and Contractor accepts such appointment. In connection therewith, Contractor will be a fiduciary to the City and provide investment research and management of the Managed Funds investments and conduct a continuous program of investment, evaluation and, when appropriate, sale and reinvestment of the Managed Funds assets. Contractor shall continuously monitor investment opportunities, evaluate investments of the Managed Funds, and invest Managed Funds in accordance with Federal and State law and the City's Investment Policy, as amended from time to time. Contractor shall furnish City with statistical information and reports with respect to investments of the Managed Funds. Contractor shall place all orders for the purchase, sale, loan or exchange of portfolio securities for City's account with brokers or dealers recommended by Contractor and/or City, and to that end Contractor is authorized as agent of City to give instructions to the custodian designated by City (the "Custodian") as to deliveries of securities and payments of cash for the account of City. In connection with the selection of such brokers and dealers and the placing of such orders, Contractor is directed to seek for City the most favorable execution and price., The Custodian shall have custody of cash, assets and securities of City. Contractor shall not take possession of or act as custodian for the cash, securities or other assets of City and shall have no responsibility in connection therewith. Authorized investments shall include only those investments which are currently authorized by the state investment statutes and the applicable covenants and as supplemented

by such other written instructions, including the City's Investment Policy, as may from time to time be provided by City to Contractor. Contractor shall be entitled to rely upon City's written advice with respect to anticipated drawdowns of Managed Funds. Contractor will observe the instructions of City with respect to broker/dealers who are approved to execute transactions involving the Managed Funds and in the absence of such instructions will engage broker/dealers which Contractor reasonably believes to be reputable, qualified and financially sound.

- B. Pool Compensation. Assets invested by Contractor under the terms of this Agreement may from time to time be invested in (i) a money market mutual fund managed by Contractor or (ii) a local government investment pool managed by Contractor (either, a "Pool") or in individual securities. Approval for Contractor to invest Managed Funds in accordance with this subsection must be specifically allowed in the City's Investment Policy and expressly approved in writing by the City. Average daily net assets subject to the fees described in this Agreement shall not take into account any funds invested in the Pool. Expenses of the Pool, including compensation for Contractor and the Pool custodian, are described in the relevant prospectus or information statement and are paid from the Pool.
- C. Other Compensation. If and to the extent that City shall request Contractor to render services other than those to be rendered by Contractor under this Agreement, such additional services shall be compensated separately on terms to be agreed to in writing between Contractor and City.
- D. Expenses. Contractor shall furnish at its own expense all necessary administrative services, office space, equipment, clerical personnel, telephone and other communication facilities, courier or other delivery services, printing, subscription services, computer and technology, investment advisory facilities, executive and supervisory personnel, and all other equipment and services customarily required for managing the Managed Funds. Except as expressly provided otherwise herein, City shall pay all of its own expenses including, without limitation, taxes, commissions, fees and expenses of City's independent auditors and legal counsel, if any, brokerage and other expenses connected with the execution of portfolio security transactions, insurance premiums, and fees and expenses of the Custodian.
- E. Registered Advisor; Duty of Care. Contractor hereby represents it is a registered investment advisor under the Investment Advisers Act of 1940. Contractor shall immediately notify City if at any time during the term of this Agreement it is not so registered or if its registration is suspended. Contractor agrees to perform its duties and responsibilities under this Agreement with reasonable care. The federal securities laws impose liabilities under certain circumstances on persons who act in good faith.

Nothing herein shall in any way constitute a waiver or limitation of any rights which City may have under any federal securities laws. City hereby authorizes Contractor to sign I.R.S. Form W-9 on behalf of City and to deliver such form to broker-dealers or others from time to time as required in connection with securities transactions pursuant to this Agreement.

- F. Contractor's Other Clients. City understands that Contractor performs investment advisory services for various other clients which may include investment companies, commingled trust funds and/or individual portfolios. City agrees that Contractor, in the exercise of its professional judgment, may give advice or take action with respect to any of its other clients which may differ from advice given or the timing or nature of action taken with respect to the Managed Funds. Contractor shall not have any obligation to purchase, sell or exchange any security for the Managed Funds solely by reason of the fact that Contractor, its principals, affiliates, or employees may purchase, sell or exchange such security for the account of any other client or for itself or its own accounts.
- G. Force Majeure. Contractor shall have no liability for any losses arising out of the delays in performing or inability to perform the services which it renders under this Agreement which result from events beyond its control, including interruption of the business activities of Contractor or other financial institutions due to acts of God, pandemic, "superhuman cause," acts of governmental authority, acts of war, terrorism, civil insurrection, riots, labor difficulties, or any action or inaction of any carrier or utility, or mechanical or other malfunction.
- H. Disciplinary Actions. Contractor shall promptly give notice to City if Contractor shall have been found to have violated any state or federal securities law or regulation in any final and unappealable judgment in any criminal action or civil suit in any state or federal court or in any disciplinary proceeding before the Securities and Exchange Commission ("SEC") or any other agency or department of the United States, any registered securities exchange, FINRA, or any regulatory authority of any State based upon the performance of services as an investment advisor.
- I. Books. Contractor shall maintain records of all transactions in the Managed Funds. Contractor shall provide City with a monthly statement showing deposits, withdrawals, purchases and sales (or maturities) of investments, earnings received, and the value of assets held on the last business day of the month. The statement shall be in the format and manner that is mutually agreed upon by Contractor and City. Other reporting requirements and electronic access to the City's account shall be provided by the Contractor as described in Exhibit A – Scope of Services or as reasonably requested by the City.

- J. Brochure and Brochure Supplement. Contractor warrants that it has delivered to City prior to the execution of this Agreement Contractor's current SEC Form ADV, Part 2A (brochure) and Part 2B (brochure supplement). City acknowledges receipt of such brochure and brochure supplement prior to the execution of this Agreement.

The Parties acknowledge and accept the terms and conditions of this Agreement as evidenced by the following signatures of their duly authorized representatives.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form:

Dated: _____

BRIAN DOYLE
City Attorney

DEANNA J. SANTANA
City Manager
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

"CITY"

PFM ASSET MANAGEMENT LLC
a Delaware limited liability company

Dated: 7/6/2020

By (Signature): 

Name: Monique Spyke

Title: Managing Director

50 California Street

Principal Place of Suite 2300

Business Address: San Francisco, CA 94111

Email Address: spykem@pfm.com

Telephone: (415) 982-5544

Fax: (415) 982-4513

"CONTRACTOR"

EXHIBIT A

SCOPE OF SERVICES

1. GENERAL

- 1.1.** The City currently manages the investment of its pooled portfolio, which as of May 31, 2020 totaled \$770 million (Managed Funds). Of this amount, approximately \$64 million is invested with the State's Local Agency Investment Fund (LAIF) to meet the City's liquidity needs. Under this Agreement, the City designates and retains Contractor to furnish investment advisory and portfolio management services for the City's portfolio.
- 1.2.** To the extent not inconsistent with this Agreement between the City and Contractor including this Scope of Services, the City's RFP 19-20-36 (including subsequent updates), Contractor's proposal response dated February 18, 2020 and Contractor's oral demonstration materials dated May 5, 2020 are hereby incorporated by reference herein, and shall supplement this Scope of Services and be subject to the terms and conditions of the Agreement.

2. SCOPE OF SERVICES

The services that Contractor shall perform include, but are not limited to, the following:

- 2.1.** Provide full-time investment management services in accordance with the City's Investment Policy and State law.
- 2.2.** Assist with reviewing and recommending any appropriate amendments to the City's Investment Policy at the outset of the contract term and assist with the annual review and update of the Investment Policy.
- 2.3.** Assist the City with developing an appropriate cash flow model to minimize balances held in highly liquid but low interest accounts (e.g., bank accounts and LAIF).
- 2.4.** Assist the City with maturity analysis.
- 2.5.** Provide credit analysis and assess risk of portfolio investments.
- 2.6.** Work with the City's third-party custodian for safekeeping of securities and provide services required to execute and settle investment trades. Contractor will not act as a custodian of assets in the account or have possession of any such assets.
- 2.7.** Recommend and justify appropriate investment benchmarks.
- 2.8.** Provide detailed monthly reports of investment portfolio activity, performance, holdings by investment type, maturity, broker, weighted average maturity,

- duration, benchmark comparison, and other such reports normally provided to governmental clients. Provide separate annual portfolio holding, activity, and performance reports and relevant GASB reports based on the City's fiscal year (July 1 – June 30). Provide custom reports as requested by the City at no additional cost.
- 2.9.** Be available to Finance Department staff in a timely manner by telephone or email and meet with and provide information to Finance Department staff upon request, and if requested, to other interested parties such as the Investment Committee, City Council and/or City Manager.
 - 2.10.** Attend City Council meetings for the annual review of the investment policy.
 - 2.11.** Provide assurance of portfolio compliance with all federal and State of California laws as well as ordinances, resolutions, and policies of the City relating to the investment of public funds.
 - 2.12.** Annually perform due diligence reviews of the broker/dealers, custodian bank, and financial institutions utilized by the City and provide supporting documentation to the City.
 - 2.13.** Act as a fiduciary agent to the City, serving as an independent advisor to represent the best interests of the City.
 - 2.14.** Demonstrate independence from any financial institution or securities brokerage firm, or fully disclose any such relationships relevant to qualified investments for public sector entities.
 - 2.15.** Keep City informed of changing economic conditions through flash emails, daily, weekly, and/or monthly reports including discussion of key economic indicators relevant to the regional, State, national, and global economies.

EXHIBIT B
SCHEDULE OF FEES

1. MAXIMUM COMPENSATION

- 1.1.** The maximum compensation the City will pay the Contractor for all professional fees, costs and expenses provided under this Agreement shall not exceed Eight Hundred Forty Thousand Dollars (\$840,000) during the Initial Term of the Agreement.
- 1.2.** Any additional professional fees, costs and expenses requested by the City that would exceed the preceding maximum amount will be addressed in an Amendment to the Agreement. No additional services will be performed unless both Parties execute an Amendment outlining the services requested and the compensation agreed for such services.

2. FEES

- 2.1.** For its services, Contractor shall receive an investment fee as set forth below:

Schedule	Fee Cap
Year 1: 4.2 basis points	Not to exceed \$255,000
Year 2: 4.7 basis points	Not to exceed \$280,000
Year 3: 5.2 basis points	Not to exceed \$305,000
Year 4: 5.2 basis points	Not to exceed \$305,000 + COLA (see Section 2.1.1 below)
Year 5: 5.2 basis points	Not to exceed \$305,000 + COLA (see Section 2.1.1 below)

2.1.1. For Years 4 and 5:

- 2.1.1.1.** Cost-of-Living Adjustment (COLA) shall be in line with the Consumer Price Index.
- 2.1.1.2.** Should invested assets exceed \$730 million, a commensurate increase will be calculated in the fee cap. Contractor shall request such adjustment to the fee cap at least sixty (60) days prior to the beginning of the renewal period.

3. INVOICING

Contractor will bill City on a monthly basis for Services provided by Contractor during the preceding month on an invoice and in a format approved by City and subject to verification and approval by City. City will pay Contractor within thirty (30) days of City's receipt of an approved invoice.

EXHIBIT C

INSURANCE REQUIREMENTS

Without limiting the Contractor's indemnification of the City, and prior to commencing any of the Services required under this Agreement, the Contractor shall provide and maintain in full force and effect during the period of performance of the Agreement and for twenty-four (24) months following acceptance by the City, at its sole cost and expense, the following insurance policies from insurance companies authorized to do business in the State of California. These policies shall be primary insurance as to the City of Santa Clara so that any other coverage held by the City shall not contribute to any loss under Contractor's insurance. The minimum coverages, provisions and endorsements are as follows:

A. COMMERCIAL GENERAL LIABILITY INSURANCE

1. Commercial General Liability Insurance policy which provides coverage at least as broad as Insurance Services Office form CG 00 01. Policy limits are subject to review, but shall in no event be less than, the following:

\$2,000,000 Each Occurrence
\$4,000,000 General Aggregate
\$2,000,000 Products/Completed Operations Aggregate
\$1,000,000 Personal Injury
2. Exact structure and layering of the coverage shall be left to the discretion of Contractor; however, any excess or umbrella policies used to meet the required limits shall be at least as broad as the underlying coverage and shall otherwise follow form.
3. The following provisions shall apply to the Commercial Liability policy as well as any umbrella policy maintained by the Contractor to comply with the insurance requirements of this Agreement:
 - a. Coverage shall be on an occurrence basis with defense costs payable in addition to policy limits;
 - b. There shall be no cross liability exclusion which precludes coverage for claims or suits by one insured against another; and
 - c. Coverage shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of liability.

B. BUSINESS AUTOMOBILE LIABILITY INSURANCE

Business automobile liability insurance policy which provides coverage at least as broad as ISO form CA 00 01 with policy limits a minimum limit of not less than one million dollars (\$1,000,000) each accident using, or providing coverage at

least as broad as, Insurance Services Office form CA 00 01. Liability coverage shall apply to all owned (if any), non-owned and hired autos.

In the event that the Work being performed under this Agreement involves transporting of hazardous or regulated substances, hazardous or regulated wastes and/or hazardous or regulated materials, Contractor and/or its subcontractors involved in such activities shall provide coverage with a limit of one million dollars (\$1,000,000) per accident covering transportation of such materials by the addition to the Business Auto Coverage Policy of Environmental Impairment Endorsement MCS90 or Insurance Services Office endorsement form CA 99 48, which amends the pollution exclusion in the standard Business Automobile Policy to cover pollutants that are in or upon, being transported or towed by, being loaded onto, or being unloaded from a covered auto.

C. WORKERS' COMPENSATION

1. Workers' Compensation Insurance Policy as required by statute and employer's liability with limits of at least one million dollars (\$1,000,000) policy limit Bodily Injury by disease, one million dollars (\$1,000,000) each accident/Bodily Injury and one million dollars (\$1,000,000) each employee Bodily Injury by disease.
2. The indemnification and hold harmless obligations of Contractor included in this Agreement shall not be limited in any way by any limitation on the amount or type of damage, compensation or benefit payable by or for Contractor or any subcontractor under any Workers' Compensation Act(s), Disability Benefits Act(s) or other employee benefits act(s).
3. This policy must include a Waiver of Subrogation in favor of the City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents.

D. PROFESSIONAL LIABILITY

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against negligent acts, errors or omissions of the Contractor. Covered services as designated in the policy must specifically include work performed under this agreement. Coverage shall be in an amount of not less than forty million dollars (\$40,000,000) per claim and in aggregate. Any coverage containing a deductible or self-retention must first be approved in writing by the City Attorney's Office.

E. COMPLIANCE WITH REQUIREMENTS

All of the following clauses and/or endorsements, or similar provisions, must be part of each commercial general liability policy, and each umbrella or excess policy.

1. Additional Insureds. City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents are hereby added as additional insureds, with the exception of workers compensation, in respect to liability arising out of Contractor's work for City, using Insurance Services Office (ISO) Endorsement CG 20 10 11 85, or the combination of CG 20 10 03 97 and CG 20 37 10 01, or its equivalent.
2. Primary and non-contributing. Each insurance policy provided by Contractor shall contain language or be endorsed to contain wording making it primary insurance as respects to, and not requiring contribution from, any other insurance which the indemnities may possess, including any self-insurance or self-insured retention they may have. Any other insurance indemnities may possess shall be considered excess insurance only and shall not be called upon to contribute with Contractor's insurance.
3. Cancellation.
 - a. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided due to non-payment of premiums shall be effective until written notice has been given to City at least ten (10) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least ten (10) days prior to the effective date of non-renewal.
 - b. Each insurance policy shall contain language or be endorsed to reflect that no cancellation for any cause save and except non-payment of premiums shall be effective until written notice has been given to City at least thirty (30) days prior to the effective date of such cancellation. In the event of non-renewal, written notice shall be given at least thirty (30) days prior to the effective date of non-renewal. Contractor agrees to provide the City written notice at least thirty (30) days prior to the effective date of any modification of coverage provided.
4. Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through E of this Exhibit C, above.

F. ADDITIONAL INSURANCE RELATED PROVISIONS

Contractor and City agree as follows:

1. Contractor agrees to ensure that subcontractors, and any other party involved with the Services, who is brought onto or involved in the performance of the Services by Contractor, separately provide the same

minimum insurance coverage required of Contractor, except as with respect to limits. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Agreement. Contractor agrees that upon request by City, all agreements with, and insurance compliance documents provided by, such subcontractors and others engaged in the project will be submitted to City for review.

2. Contractor agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Contractor for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.
3. The City reserves the right to withhold payments from the Contractor in the event of material noncompliance with the insurance requirements set forth in this Agreement.

G. EVIDENCE OF COVERAGE

Prior to commencement of any Services under this Agreement, Contractor, and each and every subcontractor (of every tier) shall, at its sole cost and expense, provide and maintain not less than the minimum insurance coverage with the endorsements and deductibles indicated in this Agreement. Such insurance coverage shall be maintained with insurers, and under forms of policies, satisfactory to City and as described in this Agreement. Contractor shall file with the City all certificates and endorsements for the required insurance policies for City's approval as to adequacy of the insurance protection.

H. EVIDENCE OF COMPLIANCE

Contractor or its insurance broker shall provide the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage shall be delivered to City, or its representative as set forth below, at or prior to execution of this Agreement. Upon City's request, Contractor shall submit to City copies of the actual insurance policies or renewals or replacements. Unless otherwise required by the terms of this Agreement, all certificates, endorsements, coverage verifications and other items required to be delivered to City pursuant to this Agreement shall be e-mailed to ctsantaclara@ebix.com:

Or by mail to:
EBIX Inc.
City of Santa Clara – Finance Department

P.O. Box 100085 – S2
Duluth, GA 30096
Telephone number: 951-766-2280
Fax number: 770-325-0409

I. QUALIFYING INSURERS

All of the insurance companies providing insurance for Contractor shall have, and provide written proof of, an A. M. Best rating of at least A minus 6 (A- VI) or shall be an insurance company of equal financial stability that is approved by the City or its insurance compliance representative



Agenda Report

23-759

Agenda Date: 6/27/2023

REPORT TO COUNCIL

SUBJECT

Action on Amendment No. 4 with Wallace Roberts and Todd, LLC (WRT) to Add Two Study Cities to the City Hall Relocation Study and Related Budget Amendment

COUNCIL PILLAR

Promote and Enhance Economic, Housing, and Transportation Development

BACKGROUND

The City is nearing the completion of a planning effort to prepare a Downtown Precise Plan and Form Based Code to guide the redevelopment of the City's former Downtown area. The scope of work for the Downtown Precise Plan was expanded in response to a petition from Reclaiming our Downtown (ROD) to include a financial analysis of the costs and benefits (City Hall Relocation Study) associated with moving the City Hall to the Downtown. The City Council made this addition to the scope of work for the City's consultant, WRT, at the May 24, 2022 Council meeting, following Council consideration of a written petition submitted by resident Mary Grizzle on behalf of ROD. In June 2022, the City Council subsequently approved the allocation of funds for the requested Study through the budget process, and then on October 18, 2022, the City Council took actions to allow for the commencement of the scope of work by WRT on the City Hall Relocation Study.

The City Hall Relocation Study scope included an evaluation of six other cities as a comparative case study. WRT, in conjunction with subconsultants, analyzed 18 example sites and recommended six sites (Long Beach Civic Center, Watsonville City's Hall, Sonoma County Government Center, Malden Massachusetts' City Hall, Redwood City's City Hall, and Mountain View's City Hall) for further analysis to provide insight into the potential costs and benefits of locating a city hall in a similar Downtown context. Staff reviewed the proposed sites and WRT presented the six sites to the Downtown Community Task Force (DCTF) on March 14, 2023.

A second written petition submitted by resident Mary Grizzle on behalf of the members of ROD was heard at the May 23, 2023 City Council meeting. The petition stated that while ROD agreed with four of the cities presented at the March 14, 2023 Downtown Community Task Force meeting, they are deeply concerned that two of the cities (Watsonville and Sonoma) do not meet ROD's criteria nor the spirit of the study, and should be replaced with Winter Garden, Florida and Sandusky, Ohio.

DISCUSSION

As of the date of this staff report, the City Hall Relocation Study is approximately 50% complete. The full scope of work is attached to this report as Attachment 2 for reference. Listed below are the tasks from the approved scope of work with the status of each task indicated.

- Project Initiation - (task completed)

- conduct targeted background research and mapping needed to understand the existing Civic Center site and previous studies.
- Program Confirmation - (task completed)
 - review of provided documentation related to projected civic center spatial needs and document a high-level spatial program organized by department according to data provided.
- Economic Assessment - (task completed)
 - identify up to six examples of City Hall relocation projects across the United States to serve as case studies. The Team will seek examples (successful and otherwise) that are comparable to Santa Clara and/or the downtown site (e.g., similar City population; site adjacency to transit, university, or historic neighborhood) that have a range of outcomes, including examples with more and less resulting investment. For each case study, the Team will conduct research to understand each city hall project including contacting each city to seek an interview with staff about the project, including benefits, challenges, and lessons learned, and report on outcomes, including the degree to which private investment has followed public investment.
 - Complete an illustrative economic impact analysis that considers potential localized spending effects on downtown from a new City Hall, as compared to the baseline site use (a comparably sized future office building).
- Criteria and Site Comparison - (task completed)
 - conduct a criteria-based process for evaluating potential Downtown sites for a relocated City Hall. The outcome of this process will be the creation of a qualitative evaluation matrix followed by City Staff and Task Force confirmation of a preferred downtown site for a relocated City Hall.
- Concept Testing and Test-Fitting - (task in progress)
 - develop up to three conceptual approaches to relocating city hall downtown on the preferred downtown site. And, for the existing civic center site, WRT will estimate development capacity based on density formulas and informed by typical building forms, which will inform the economic evaluation of potential relocation.
- Financial Evaluation - (task in progress)
 - perform a financial analysis to assess the concepts for relocating City Hall and offices to downtown.
- Concept Refinement - (task upcoming)
 - based on City and DCTF feedback, and informed by the financial analysis, the Team will refine land use and building block concepts for Downtown and the existing Civic Center site.
- Final Options Report - (task upcoming)
 - document the final site concepts and economic analysis in a concise report, with narrative, graphics, and relevant tables.

While a substantive portion of the City Hall Relocation Study scope has been completed, the site comparison analysis has not been finalized and it would be possible to add two additional sites for the full analysis without significant cost or additional time required. It should also be noted that approximately \$10,000 of contingency remains within the original WRT contract for preparation of the Precise Plan and Form-Based Code. However, this contingency needs to be maintained in case there are additional costs to completion the CEQA analysis or other elements of the original scope of

work.

Staff is accordingly requesting that the City Council grant approval to the City Manager to amend the City's contract with WRT to add two study cities, Winter Garden, Florida and Sandusky, Ohio, to the approved scope, which would fall under the Economic Assessment task. The cost for the added study cities is \$16,000. This would be Amendment No. 4 to the contract and will maintain the three-year term extension option provided in the Original Agreement, with a termination date of December 31, 2024.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

FISCAL IMPACT

The original scope of work for the City Hall relocation study was estimated at \$353,360. This project was established in the General Government Capital Fund and was funded as part of the FY 2022/23 and FY 2023/24 Capital Improvement Program budget adoption, with \$325,000 appropriated from the General Fund. The remaining \$28,360 was transferred by Silicon Valley Power's Electric Yard Buildings and Grounds project budget for facility assessment of buildings occupied by SVP, which was approved by the City Council on October 18, 2022.

The current proposed scope of work has a cost of \$16,000 which is recommended to be funded from the General Fund's Budget Stabilization Reserve. The table below summarizes the budget action for FY 2023/24, which is subject to the approval of the FY 2023/24 and FY 2024/25 operating budget.

Budget Amendment FY 2023/24			
	Current	Increase/ (Decrease)	Revised
General Fund			
<u>Expenditure</u>			
Transfer to the General Government Capital Fund	\$90,283	\$16,000	\$106,283
<u>Fund Balance</u>			
Budget Stabilization Reserve	\$45,847,152	(\$16,000)	\$45,831,152
General Government Capital Fund			
<u>Revenue</u>			
Transfer from the General Fund	\$90,283	\$16,000	\$106,283
<u>Expenditure</u>			
Precise Plan for Downtown	\$0	\$16,000	\$16,000

COORDINATION

This report has been coordinated with the City Manager's Office, the Finance Department and the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Authorize the City Manager to execute Amendment No. 4 to the Agreement with Wallace Roberts and Todd, LLC (WRT) for the City Hall Relocation Study, in a final form approved by the City Attorney, at a total cost not to exceed \$16,000, funded by the General Fund; and
2. Approve the following FY 2023/24 budget amendment, subject to approval of the FY 2023/24 and FY 2024/25 operating budget:
 - A. In the General Fund, increase the transfer to the General Government Capital Fund by \$16,000 and reduce the Budget Stabilization Reserve by \$16,000 (**five affirmative Council votes required for the use of unused balances**); and
 - B. In the General Government Capital Fund, recognize a transfer of \$16,000 from the General Fund Budget Stabilization Reserve and increase the Precise Plan for Downtown project by \$16,000 (**five affirmative Council votes required to appropriate additional revenue**).

Reviewed by: Andrew Crabtree, Director, Community Development Department

Approved by: Jōvan Grogan, City Manager

ATTACHMENTS

1. Amendment No. 4 with Wallace Roberts and Todd, LLC (WRT)
2. Scope of Work - City Hall Relocation Study
3. Original Agreement and RTC19-1006
4. Amendment No. 1 and RTC 21-667
5. Amendment No. 2
6. Amendment No. 3 and RTC 22-1204

**AMENDMENT NO. 4
TO THE AGREEMENT FOR SERVICES
BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA,
AND
WALLACE ROBERTS & TODD, LLC**

PREAMBLE

This agreement ("Amendment No. 4") is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and Wallace Roberts & Todd, LLC, a Delaware Corporation (Consultant). City and Consultant may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

- A. The Parties previously entered into an agreement entitled "Agreement for Services Between the City of Santa Clara, California, and Wallace, Roberts & Todd, LLC," dated October 17, 2019 (Agreement); and
- B. The Agreement was previously amended by Amendment No. 1, dated October 21, 2021, Amendment No. 2, dated December 13, 2021, Amendment No. 3, dated November 3, 2022, and is again amended by this Amendment No. 4. The Agreement and all previous amendments are collectively referred to herein as the "Agreement as Amended"; and
- C. The Parties entered into the Agreement as Amended for the purpose of having Contractor provide prepare a Downtown Precise Plan, and the Parties now wish to amend the Agreement to expand the scope of services to include additional case studies of comparable city hall relocation projects around the U.S.

NOW, THEREFORE, the Parties agree as follows:

AMENDMENT TERMS AND CONDITIONS

- 1. Section 6 of the Agreement, entitled "Compensation and Payment," is amended to reflect a revised maximum compensation value of one million three hundred forty-seven thousand, seven hundred six dollars (\$1,347,706).
- 2. Exhibit A of the Agreement, entitled "Scope of Services," is updated by appending the attached "Additional Case Study Evaluation," dated June 16, 2023, to add new tasks to the original scope.

JS.

3. Exhibit B of the Agreement, entitled "Schedule of Fees," is amended to reflect a revised maximum compensation value of one million three hundred forty-seven thousand, seven hundred six dollars (\$1,347,706).
4. Except as set forth herein, all other terms and conditions of the Agreement as Amended shall remain in full force and effect. In case of a conflict in the terms of the Agreement as Amended and this Amendment No. 4, the provisions of this Amendment No. 4 shall control.

The Parties acknowledge and accept the terms and conditions of this Amendment No. 4 as evidenced by the following signatures of their duly authorized representatives.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form:

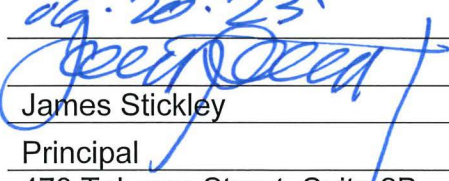
Dated: _____

GLEN R. GOOGINS
City Attorney

JOVAN D. GROGAN
City Manager
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

"CITY"

WALLACE ROBERTS & TODD, LLC
a Delaware Corporation

Dated: 06.20.23
By (Signature): 
Name: James Stickley
Title: Principal
Principal Place of Business Address: 478 Tehama Street, Suite 2B
San Francisco, CA 94103
Email Address: jstickley@wrtdesign.com
Telephone: (415) 575-4722
Fax: (215) 732-2551
"CONSULTANT"

I:\PLANNING\Admin\Contracts\WRT\Amendment No 4\Amendment No. 4 WRT.doc



MEMORANDUM

To: Lesley Xavier, Project Manager, City
of Santa Clara

Date: June 16, 2023

From: Peter Winch
Senior Planner

Ref. No.: 08334.02

Project: Santa Clara Civic Center
Relocation Study

Pages: 2

Re: Additional Case Study Evaluation

CC: Jim Stickley, Principal, WRT

WRT and our subconsultant partners are working closely with City Staff and the Downtown Community Task Force on a Civic Center Relocation Study to consider the potential costs and benefits of shifting city functions to Downtown Santa Clara. The City has requested that WRT propose a scope and fee for conducting two additional case studies of comparable city hall relocation projects around the U.S.

The WRT Team's original budget for the case studies subtask was \$17,290. Each member of our Team used considerably more time than we budgeted for to complete the case studies. Based on this experience, we request a fee of \$16,000 to complete two additional studies. This would include \$6,000 for EPS and \$5,000 each for WRT and PFAL.

EPS's portion of this effort could be shifted from their remaining budget of \$11,400 in Task 5. This budget was provided for up to 40 hours of Principal-level as-needed project support. If this approach is taken, the need for additional budget would be reduced to \$10,000. The additional proposed scope of work is summarized on the following page.



MEMORANDUM

Santa Clara Civic Center Relocation Study: Additional Services

Task 9: Additional Case Studies

In Task 3, WRT, EPS, and PFAL evaluated six case studies of City Hall relocation projects across the United States. At the request of members of the Downtown Community Task Force and City Staff, the Team will analyze two (2) additional case studies: Sandusky, Ohio and Winter Garden, Florida. For each case study, WRT will evaluate the way city hall relocation functioned in its physical urban context. EPS will conduct research to understand each city hall project based on City documents, hearing transcripts, media reporting, and other readily available sources, and will contact each city to seek an interview with staff about the project, including benefits, challenges, and lessons learned, etc. EPS will report on outcomes, including the degree to which private investment has followed public investment. PFAL will consider financing and procurement aspects of the case studies.

Meetings:

- Meeting with City Staff
- Task Force presentation (to be combined with existing presentation)

Deliverables:

- Additional Case Studies presentation

Timeframe: 1 month

Cost: \$16,000



MEMORANDUM

To:	Lesley Xavier, Project Manager, City of Santa Clara	Date:	June 16, 2023
		From:	Peter Winch Senior Planner
		Ref. No.:	08334.02
		Project:	Santa Clara Civic Center Relocation Study
		Pages:	2
		Re:	Additional Case Study Evaluation

CC: Jim Stickley, Principal, WRT

WRT and our subconsultant partners are working closely with City Staff and the Downtown Community Task Force on a Civic Center Relocation Study to consider the potential costs and benefits of shifting city functions to Downtown Santa Clara. The City has requested that WRT propose a scope and fee for conducting two additional case studies of comparable city hall relocation projects around the U.S.

The WRT Team's original budget for the case studies subtask was \$17,290. Each member of our Team used considerably more time than we budgeted for to complete the case studies. Based on this experience, we request a fee of \$16,000 to complete two additional studies. This would include \$6,000 for EPS and \$5,000 each for WRT and PFAL.

EPS's portion of this effort could be shifted from their remaining budget of \$11,400 in Task 5. This budget was provided for up to 40 hours of Principal-level as-needed project support. If this approach is taken, the need for additional budget would be reduced to \$10,000. The additional proposed scope of work is summarized on the following page.



MEMORANDUM

Santa Clara Civic Center Relocation Study: Additional Services

Task 9: Additional Case Studies

In Task 3, WRT, EPS, and PFAL evaluated six case studies of City Hall relocation projects across the United States. At the request of members of the Downtown Community Task Force and City Staff, the Team will analyze two (2) additional case studies: Sandusky, Ohio and Winter Garden, Florida. For each case study, WRT will evaluate the way city hall relocation functioned in its physical urban context. EPS will conduct research to understand each city hall project based on City documents, hearing transcripts, media reporting, and other readily available sources, and will contact each city to seek an interview with staff about the project, including benefits, challenges, and lessons learned, etc. EPS will report on outcomes, including the degree to which private investment has followed public investment. PFAL will consider financing and procurement aspects of the case studies.

Meetings:

- Meeting with City Staff
- Task Force presentation (to be combined with existing presentation)

Deliverables:

- Additional Case Studies presentation

Timeframe: 1 month

Cost: \$16,000

**AGREEMENT FOR SERVICES
BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA,
AND
WALLACE ROBERTS & TODD, LLC**

PREAMBLE

This Agreement is entered into between the City of Santa Clara, a chartered California municipal corporation (hereinafter "City") and Wallace Roberts & Todd, LLC, A Delaware Corporation (hereinafter "Consultant"). City and Consultant may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

- A. City desires to secure the services more fully described in this Agreement, at Exhibit A, entitled "Scope of Services";
- B. Consultant represents that it, and its subconsultants, if any, have the professional qualifications, expertise, necessary licenses and desire to provide certain goods and/or required services of the quality and type which meet objectives and requirements of City; and,
- C. The Parties have specified herein the terms and conditions under which such services will be provided and paid for.

The Parties agree as follows:

AGREEMENT TERMS AND CONDITIONS

1. AGREEMENT DOCUMENTS

The documents forming the entire Agreement between City and Consultant shall consist of these Terms and Conditions and the following Exhibits, which are hereby incorporated into this Agreement by this reference:

Exhibit A – Scope of Services

Exhibit B – Schedule of Fees

Exhibit C – Insurance Requirements

This Agreement, including the Exhibits set forth above, contains all the agreements, representations and understandings of the Parties, and supersedes and replaces any previous agreements, representations and understandings, whether oral or written. In the event of any inconsistency between the provisions

of any of the Exhibits and the Terms and Conditions, the Terms and Conditions shall govern and control.

2. TERM OF AGREEMENT

- A. Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the Initial Term of this Agreement shall begin on October 9, 2019 and expire on September 30, 2022.
- B. After the Initial Term, the City reserves the right, at its sole discretion, to extend the term of this Agreement for an additional three-year period ending September 30, 2025 ("Option Period"). City shall provide Consultant with no less than thirty (30) days prior written notice of its intention to exercise its option to extend the term of this Agreement.

3. SCOPE OF SERVICES & PERFORMANCE SCHEDULE

Consultant shall perform those Services specified in Exhibit A within the time stated in Exhibit A. Time is of the essence. However, any modifications or delays to the project schedule resulting from circumstances beyond the Consultant's reasonable control shall not be deemed to be the fault of the Consultant.

4. WARRANTY

Consultant expressly warrants that all materials and services covered by this Agreement shall be fit for the purpose intended, shall be free from defect and shall conform to the specifications, requirements and instructions upon which this Agreement is based. Consultant agrees to promptly replace or correct any incomplete, inaccurate or defective Services at no further cost to City when defects are due to the negligence, errors or omissions of Consultant. If Consultant fails to promptly correct or replace materials or services, City may make corrections or replace materials or services and charge Consultant for the cost incurred by City.

5. QUALIFICATIONS OF CONSULTANT - STANDARD OF CARE

Consultant represents and maintains that it has the expertise in the professional calling necessary to perform the Services, and its duties and obligations, expressed and implied, contained herein, and City expressly relies upon Consultant's representations regarding its skills and knowledge. Consultant shall perform such Services and duties in conformance to and consistent with the professional standards of a specialist in the same discipline in the State of California.

6. COMPENSATION AND PAYMENT

In consideration for Consultant's complete performance of Services, City shall pay Consultant for all materials provided and Services rendered by Consultant in accordance with Exhibit B, entitled "SCHEDULE OF FEES." The maximum compensation of this Agreement is Five Hundred Seventy-Eight Thousand Three Hundred Forty-Six Dollars (\$578,346), subject to budget appropriations, which includes all payments that may be authorized for Services and for expenses, supplies, materials and equipment required to perform the Services. All work performed or materials provided in excess of the maximum compensation shall be at Consultant's expense. Consultant shall not be entitled to any payment above the maximum compensation under any circumstance.

7. TERMINATION

- A.** Termination for Convenience. City shall have the right to terminate this Agreement, without cause or penalty, by giving not less than Thirty (30) days' prior written notice to Consultant.
- B.** Termination for Default. If Consultant fails to perform any of its material obligations under this Agreement, in addition to all other remedies provided by law, City may terminate this Agreement immediately upon written notice to Consultant.
- C.** Upon termination, each Party shall assist the other in arranging an orderly transfer and close-out of services. As soon as possible following the notice of termination, but no later than ten (10) days after the notice of termination, Consultant will deliver to City all City information or material that Consultant has in its possession.

8. ASSIGNMENT AND SUBCONTRACTING

City and Consultant bind themselves, their successors and assigns to all covenants of this Agreement. This Agreement shall not be assigned or transferred without the prior written approval of City. Consultant shall not hire subconsultants without express written permission from City.

Consultant shall be as fully responsible to City for the acts and omissions of its subconsultants, and of persons either directly or indirectly employed by them, as Consultant is for the acts and omissions of persons directly employed by it.

9. NO THIRD-PARTY BENEFICIARY

This Agreement shall not be construed to be an agreement for the benefit of any third party or parties and no third party or parties shall have any claim or right of action under this Agreement for any cause whatsoever.

10. INDEPENDENT CONSULTANT

Consultant and all person(s) employed by or contracted with Consultant to furnish labor and/or materials under this Agreement are independent consultants and do not act as agent(s) or employee(s) of City. Consultant has full rights to manage its employees in their performance of Services under this Agreement.

11. CONFIDENTIALITY OF MATERIAL

All ideas, memoranda, specifications, plans, manufacturing procedures, data, drawings, descriptions, documents, discussions or other information developed or received by or for Consultant and all other written information submitted to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant and shall not, without the prior written consent of City, be used for any purposes other than the performance of the Services nor be disclosed to an entity not connected with performance of the Services. Nothing furnished to Consultant which is otherwise known to Consultant or becomes generally known to the related industry shall be deemed confidential.

12. OWNERSHIP OF MATERIAL

Provided City has complied with its obligations under this Agreement including, but not limited to, payment in full to Consultant according to the terms of this Agreement, all material, which shall include, but not be limited to, data, sketches, tracings, drawings, plans, diagrams, quantities, estimates, specifications, proposals, tests, maps, calculations, photographs, reports, designs, technology, programming, works of authorship and other material developed, collected, prepared or caused to be prepared under this Agreement shall be the property of City but Consultant may retain and use copies thereof. City shall not be limited in any way or at any time in its use of said material. However, Consultant shall not be responsible for damages resulting from the use of said material for work other than Project, including, but not limited to, the release of this material to third parties.

13. RIGHT OF CITY TO INSPECT RECORDS OF CONSULTANT

City, through its authorized employees, representatives or agents shall have the right during the term of this Agreement and for four (4) years from the date of final payment for goods or services provided under this Agreement, to audit the books and records of Consultant for the purpose of verifying any and all charges made by Consultant in connection with Consultant compensation under this Agreement, including termination of Consultant. Consultant agrees to maintain sufficient books and records in accordance with generally accepted accounting principles to establish the correctness of all charges submitted to City. Any expenses not so recorded shall be disallowed by City. Consultant shall bear the cost of the audit if the audit determines that there has been a substantial billing deviation in excess of five (5) percent adverse to the City.

Consultant shall submit to City any and all reports concerning its performance under this Agreement that may be requested by City in writing. Consultant agrees to assist City in meeting City's reporting requirements to the State and other agencies with respect to Consultant's Services hereunder.

14. HOLD HARMLESS/INDEMNIFICATION

- A.** To the extent permitted by law, Consultant agrees to protect, defend, hold harmless and indemnify City, its City Council, commissions, officers, employees, volunteers and agents from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all costs and attorney's fees in providing a defense to any such claim or other action, and whether sounding in law, contract, tort, or equity, in any manner arising from, or alleged to arise in whole or in part from, or in any way connected with the Services performed by Consultant pursuant to this Agreement – including claims of any kind by Consultant's employees or persons contracting with Consultant to perform any portion of the Scope of Services – and shall expressly include passive or active negligence by City connected with the Services. However, the obligation to indemnify shall not apply if such liability is ultimately adjudicated to have arisen through the sole active negligence or sole willful misconduct of City; the obligation to defend is not similarly limited.
- B.** Consultant's obligation to protect, defend, indemnify, and hold harmless in full City and City's employees, shall specifically extend to any and all employment-related claims of any type brought by employees, consultants, subconsultants or other agents of Consultant, against City (either alone, or jointly with Consultant), regardless of venue/jurisdiction in which the claim is brought and the manner of relief sought.
- C.** To the extent Consultant is obligated to provide health insurance coverage to its employees pursuant to the Affordable Care Act ("Act") and/or any other similar federal or state law, Consultant warrants that it is meeting its obligations under the Act and will fully indemnify and hold harmless City for any penalties, fines, adverse rulings, or tax payments associated with Consultant's responsibilities under the Act.

15. INSURANCE REQUIREMENTS

During the term of this Agreement, and for any time period set forth in Exhibit C, Consultant shall provide and maintain in full force and effect, at no cost to City, insurance policies as set forth in Exhibit C.

16. WAIVER

Consultant agrees that waiver by City of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement. Neither City's review,

acceptance nor payments for any of the Services required under this Agreement shall be constructed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

17. NOTICES

All notices to the Parties shall, unless otherwise requested in writing, be sent to City addressed as follows:

City of Santa Clara
Attention: Community Development Department
Andrew Crabtree, Director
1500 Warburton Avenue
Santa Clara, CA 95050
acrabtree@santaclaraca.gov, and
manager@santaclaraca.gov

And to Consultant addressed as follows:

Wallace Roberts & Todd, LLC
Attention: Atisha Varshney
478 Tehama Street, Suite 2B
San Francisco, CA 94103
(415) 575-4722
avarshney@wrtdesign.com

The workday the e-mail was sent shall control the date notice was deemed given. An e-mail transmitted after 1:00 p.m. on a Friday shall be deemed to have been transmitted on the following business day.

18. COMPLIANCE WITH LAWS

Consultant shall comply with all applicable laws and regulations of the federal, state and local government, including but not limited to "The Code of the City of Santa Clara, California" ("SCCC"). In particular, Consultant's attention is called to the regulations regarding Campaign Contributions (SCCC Chapter 2.130), Lobbying (SCCC Chapter 2.155), Minimum Wage (SCCC Chapter 3.20), Business Tax Certificate (SCCC section 3.40.060), and Food and Beverage Service Worker Retention (SCCC Chapter 9.60), as such Chapters or Sections may be amended from time to time or renumbered. Additionally Consultant has read and agrees to comply with City's Ethical Standards (<http://santaclaraca.gov/home/showdocument?id=58299>).

19. CONFLICTS OF INTEREST

Consultant certifies that to the best of its knowledge, no City officer, employee or authorized representative has any financial interest in the business of Consultant and that no person associated with Consultant has any interest, direct or indirect,

which could conflict with the faithful performance of this Agreement. Consultant is familiar with the provisions of California Government Code section 87100 and following, and certifies that it does not know of any facts which would violate these code provisions. Consultant will advise City if a conflict arises.

20. FAIR EMPLOYMENT

Consultant shall not discriminate against any employee or applicant for employment because of race, sex, color, religion, religious creed, national origin, ancestry, age, gender, marital status, physical disability, mental disability, medical condition, genetic information, sexual orientation, gender expression, gender identity, military and veteran status, or ethnic background, in violation of federal, state or local law.

21. NO USE OF CITY NAME OR EMBLEM

Consultant shall not use City's name, insignia, or emblem, or distribute any information related to services under this Agreement in any magazine, trade paper, newspaper or other medium without express written consent of City.

22. GOVERNING LAW AND VENUE

This Agreement shall be governed and construed in accordance with the statutes and laws of the State of California. The venue of any suit filed by either Party shall be vested in the state courts of the County of Santa Clara, or if appropriate, in the United States District Court, Northern District of California, San Jose, California.

23. SEVERABILITY CLAUSE

In case any one or more of the provisions in this Agreement shall, for any reason, be held invalid, illegal or unenforceable in any respect, it shall not affect the validity of the other provisions, which shall remain in full force and effect.

24. AMENDMENTS

This Agreement may only be modified by a written amendment duly authorized and executed by the Parties to this Agreement.

25. COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which shall constitute one and the same instrument.

The Parties acknowledge and accept the terms and conditions of this Agreement as evidenced by the following signatures of their duly authorized representatives.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form:

Dated: 10-17-19



BRIAN DOYLE
City Attorney



DEANNA J. SANTANA
City Manager
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

"CITY"

WALLACE ROBERTS & TODD, LLC

a Delaware Corporation

Dated: 09.20.19
By (Signature): 
Name: James Stickley
Title: Principal
Principal Place of Business Address: 478 Tehama Street, Suite 2B
San Francisco, CA 94103
Email Address: jstickley@wrtdesign.com
Telephone: (415) 575-4722
Fax: (215) 732-2551

"CONSULTANT"

EXHIBIT A SCOPE OF SERVICES

1. GENERAL

- 1.1. Consultant shall assist the City in developing the Downtown Precise Plan.
- 1.2. Project Schedule:
 - 1.2.1. Consultant shall submit a draft project schedule to the City for review and approval. The City shall not unreasonably withhold approval.
 - 1.2.2. The project schedule shall include the tasks listed below as well as the completion dates for each.
 - 1.2.3. Consultant shall complete the tasks listed below by the scheduled date for each task in the final project schedule.
- 1.3. Subconsultants: The following subconsultants have been approved to perform services under this Agreement.
 - 1.3.1. CSW/Stuber-Stroeh Engineering Group (Civil Engineering);
 - 1.3.2. David J. Powers & Associates (CEQA);
 - 1.3.3. Economic & Planning Systems, Inc. (Economics);
 - 1.3.4. Greensfelder Real Estate Strategy (Place-making);
 - 1.3.5. Kimley-Horn and Associates, Inc. (Transportation); and
 - 1.3.6. Sargent Town Planning (Retail Strategy).

2. DOWNTOWN PRECISE PLAN CONSULTANT SERVICES

Consultant shall complete each task listed below.

Task No. 1: Project Initiation

Consultant will complete the subtasks outlined below.

Subtask No. 1.1: Kick-off Meeting w/ Consultant Team

- A. Services: Consultant and subconsultants will meet with City staff to review the project description, scope of work, timeline and budget.
- B. Deliverable: Attend kick-off meeting.

Subtask No. 1.2: Base Map Development

- A. Services: Consultant shall assist City staff in preparing base maps. The base maps shall include:
 - 1. A map that demonstrates the adjacent context, public transit and major transportation routes, parks, schools, and project boundary;
 - 2. The location of the Downtown Precise Plan Area ("Plan Area") in the greater context of the other focus areas and the City of Santa Clara;

3. Aerial maps, General Plan land use and zoning maps;
4. A map of the Plan Area showing streets, curbs, parcels, buildings, landscape features, and parking areas; and
5. Any other tasks in this scope that require mapping.

B. Deliverable:

Base map development.

Subtask No. 1.3 Existing Conditions Report (Data Collection & Analysis):

- A. Services:** Consultant team, with City assistance, shall collect and analyze existing data and existing conditions and create a brief report. The analysis of the study area—including the Plan Area and its immediate context will include, but not be limited to:
1. Demographic and socioeconomic characteristics, including population, households, age, ethnicity, language, place of birth and residence, disability, income and poverty status;
 2. Property ownership;
 3. Employment (number of jobs by wage/salary and occupation);
 4. Planned land use and zoning designations, and relevant planning guidance in the form of policies pertaining to land use, development, urban design, parks and public facilities, historic preservation;
 5. Summary of previous planning efforts for the project area;
 6. Summary of other relevant Planning documents that will inform the Precise Plan;
 7. Development projects in the pipeline and underway;
 8. Existing affordable housing (including existing restricted and unrestricted affordable housing sites);
 9. Historic structures and places and historic background of the Downtown;
 10. Site Character;
 11. Block Pattern, building pattern, parking surfaces, community anchors, character areas, critical linkages, streetscape, public realm, and vocabulary of landscape and development features;
 12. Existing/proposed public transportation (including stop locations and frequencies), roadway facilities, bike and pedestrian routes;
 13. Transit ridership and multimodal traffic volume data; i.e. vehicle, bicycle and pedestrian, travel mode to work, travel and circulation patterns;
 14. Existing operations of each transportation system component based on available data;

15. Existing/proposed infrastructure capacity;
16. Existing land use (inventory of housing, jobs, parks, neighborhood amenities/retail, community facilities, social services, and schools/playgrounds) and physical characteristics; and
17. Natural hazards data.

B. Deliverable: Submission of Existing Conditions Report in editable Microsoft Word and PDF formats.

Subtask No. 1.4: Opportunities and Constraints Analysis

- A. Services:** The vision for the Downtown is to promote it as the historic, economic, and cultural heart of the City in such a way that enhances its strong business climate and bolsters the City's high quality of life. Consultant shall identify opportunities for development, and where the development will be constrained. Specific objectives include:
1. Identifying assets on which to build, such as the character of surrounding neighborhoods; successful businesses, programs and gathering spaces; proximity to transit and the university;
 2. Identifying design goals and policies necessary for future development to successfully meet the vision for the Plan Area;
 3. Considering how to support historic preservation and sensitively transition new development to the adjacent single-family neighborhood;
 4. Exploring options for connecting the area to transit, particularly to the Santa Clara Transit Station, and re-stitching the street grid;
 5. Identifying curb-side management strategies to incorporate evolving transportation technologies and the shared economy;
 6. Identifying potential future development sites within the Plan Area, and how future development could proceed in phases;
 7. Site Constraints;
 8. Development parameters and opportunities based on current zoning regulations;
 9. Ground truthing the development capacity identified in the General Plan (129,300 square feet of new commercial uses and 396 new residential units) and considering the "fit" between realistic development outcomes under the existing plan and the emerging vision for the Plan Area.
- B. Deliverable:** Opportunities and Constraints report, including maps, graphics, and narrative necessary to convey the results of the analysis.

Task No. 2: Issue Identification and Vision

Consultant will complete the tasks outlined below.

A. Services: Develop Community Involvement / Public Outreach Strategy

The Consultant shall develop a collaborative public outreach strategy for the project. The strategy shall outline the process for engaging stakeholders, leaders, community groups, minority populations, and other interested citizens in crafting a Precise Plan for the Downtown Focus Area. The Public Outreach Strategy shall include, but not be limited to:

1. Online Engagement Tools. Consultant will provide graphics and interactive materials for the City's website and social media, to mirror and augment in-person engagement and expand the community outreach to a diverse population. Consultant will revise or monitor the online engagement tool based on the feedback from City staff or community if necessary.
2. Establish Technical Advisory Committee (TAC). The focus of the TAC will be to provide technical feedback at key points in the planning process. City staff will take the lead in establishing and coordinating the TAC and identifying specific members. The Consultant will provide feedback to the TAC members and facilitate and lead discussions, present technical materials, and take summary notes at three (3) TAC meetings. The following are the anticipated meeting topics requiring Consultant attendance.
 - Meeting 1: Project overview and input from participants on the Public Outreach Strategy, Existing Conditions Report, and Opportunities and Constraints Analysis.
 - Meeting 2: Review of potential plan scenarios and input on preferred direction.
 - Meeting 3: Review of and input on plan framework, urban design and streetscape characteristics.
3. Downtown Community Task Force (DCTF). The focus of the DCTF will be to provide project updates, review the progress of the work and plan specifics, discuss issues and direction, and provide input. City staff has established the DCTF and identified the specific members. The Consultant team shall prepare meeting agendas, act as the facilitator for each of the task force meetings and lead discussions, present technical materials, and take summary notes. The following are the anticipated meeting topics requiring Consultant attendance. Additional meetings may be needed as the project progresses.
 - Meeting 1: Project overview (including Existing Conditions Report) and input from participants on identifying community assets, anchors and challenges, opportunity development sites to address in the development of the Plan, and to help the DCTF articulate the vision for the Plan Area.
 - Meeting 2: Overview of financial analysis. Review of potential plan

scenarios (created in Task 4 below) and input on preferred direction.

- Meeting 3: Review and input on plan framework, which may include land use, multi-modal connectivity, streetscape alternatives, and urban design standards.
 - Meeting 4: Review of public draft or adoption draft plan, and input on any refinements or additional details necessary.
4. Public Meetings. Facilitate events such as workshops, town halls, and open houses, and direct engagement such as pop-up workshops, focus groups, or interviews with stakeholders and/or focus groups. The Consultant team will work with City staff to identify residents, businesses, property owners, relevant public agencies, community groups, neighborhood associations, nonprofits, and faith-based organizations for outreach. The City will provide noticing and outreach for all community workshops. At a minimum, there shall be three (3) public meetings, two (2) workshops and one (1) open house.
 5. Planning Commission / City Council Study Sessions. The Consultant shall assume presentations of draft material for at least two (2) Planning Commission and two (2) City Council study sessions.

To ensure meaningful engagement opportunities across the Plan Area's population, the strategy will identify any needed translation services required at the engagement activities defined in this task—using the demographic data gathered for the existing conditions report to understand level of need by specific language.

B. Deliverables:

1. Public Outreach Strategy memo that includes an outline of the key steps of the outreach process and anticipated schedule of when various engagement activities would occur.
2. Graphics and interactive materials for the City's website and social media.
3. Materials necessary to facilitate community, DCTF, and TAC meetings, including but not limited to; a PowerPoint Presentation; Exhibition boards; and meeting agenda.
4. Meeting summaries documenting input at TAC, DCTF, and stakeholder meetings.
5. Attendance at three (3) Technical Advisory Committee meetings.
6. Attendance at four (4) Downtown Community Task Force meetings.
7. Attendance at five (5) Stakeholder meetings.
8. Attendance at two (2) Planning Commission hearings and two (2) City Council Study Sessions.

Task No. 3: Financial Analysis – Economic Sustainability

Consultant will complete the tasks outlined below.

A. Services: Develop a Financial Analysis and Commercial Retention Strategy

1. The Consultant will analyze potential market demand for housing, commercial, office, and mixed-use development in the Precise Plan Area. This analysis shall include the following.
 - a) **Market Assessment:** Consultant will establish and document real estate market potential and development factors relevant to the Downtown Plan Area. As part of its market assessment, Consultant will consider broad market trends as well as detailed information concerning new, high-performing local and regional comparable projects, including their market positioning, architectural format, amenity offerings, and market value.
 - **Socioeconomic and Market Trends:** Consultant will establish and document real estate market potential and development factors relevant to the Downtown Plan Area. As part of its market assessment, Consultant will consider broad market trends as well as detailed information concerning new, high-performing local and regional comparable projects, including their market positioning, architectural format, amenity offerings, and market value
 - **Market Valuations:** Consultant will study real estate market product values in the local and regional market, including sale values and lease rates for product types that may be most appropriate for development for the Downtown. This focus on product valuation will home in on specific building sale and lease transactions. Consultant will consider a range of potentially comparable projects, developing case studies as appropriate, to establish market data for subsequent financial pro forma feasibility analysis.
 - b) **Financial Feasibility:** Consultant will develop a pro forma financial analysis to inform the financial viability of potential projects for the Downtown.
 - c) **Retail Strategy:** Greensfelder Real Estate will work with Consultant on the economic analysis around commercial space, providing greater depth of experience in the specific retail segments and space needs that may be suited to Downtown Santa Clara to include:
 - Analysis of potential key retail sites; and
 - Recommendations on how ground floor commercial should be laid out along the connection axis between the Downtown area and transportation hubs.
2. The Consultant shall review the planned development program (129,300 square feet of new commercial uses and 396 new residential units) against real estate market conditions and trends within the Plan Area and the larger

surrounding market area and assess the potential competitiveness of the Plan Area in capturing enough demand to support the planned build-out and assess the economic challenges to creating the desired development pattern. Consultant shall make recommendations on what type and amount of development and density will be needed to make it feasible to redevelop the Plan Area and support infrastructure needs and desires.

3. Based on the findings from the work above, the Consultant shall develop a recommended strategy that the City can take to overcome any identified challenges.

B. Deliverable: Financial analysis report including findings from the market assessment and financial feasibility testing. Specifically, the report will include recommendations on the amount, size, type, and location of commercial uses, and assessment of the potential of the Plan Area to support the planned build-out. The report also will make suggestions for Plan implementation that seek to achieve the City's vision of an active Downtown destination.

Task No. 4: Development Scenarios / Conceptual Plans

Consultant will complete the subtasks outlined below.

Subtask No. 4.1: Land Use and Circulation Scenario Development

A. Services: Consultant team will develop three (3) long-term vision scenarios for the Plan Area. The scenarios shall represent the planned build-out of the Plan Area and could include different land use and development intensities, key development sites, multi-modal connectivity improvements, open space plans, streetscape and public space improvements, infrastructure improvements, preserved or enhanced community anchors, and other physical changes to illustrate the various alternatives and potential concepts for the future of the area. The water, sewer, electrical and natural gas demand associated with development under each scenario will also be assessed.

The intent of the scenarios is to enable long-term creative thinking for the Plan Area around several topics, by providing a small number of initial concepts for the community, City staff, elected officials, and other stakeholders to respond to. The concepts will be informed by the market and financial feasibility analysis (Task 3 above) and be feasible under current or potential future market conditions. The land use scenarios will be vetted with the DCTF and the TAC and used as a starting point for community feedback and creative problem solving in a workshop format.

B. Deliverable: Land Use Scenarios Memorandum, including maps and graphics for each scenario; a "fact sheet" that provides an overview of development potential, land use mix, potential intensities and heights, anticipated growth in residents and/or workers, potential new public spaces, and consideration of tradeoffs; and precedent images that illustrate development types associated with each scenario. The Consultant team will refine the concepts and finalize them for Workshop #1 based on the comments received from City staff, the TAC

and the DCTF.

Subtask No. 4.2: Plan Framework and Urban Design Team Charrette

- A. Services:** Based on feedback on the land use concepts, including critical feedback from the first workshop, the Consultant team will create a “plan framework” that best expresses the community’s vision for the fundamental elements, relationships, and character of future Downtown development. This plan framework will be the starting point for discussions with the DCTF and TAC in a second round of meetings that will also be the launching point for a 3-day team charrette.
- B. Deliverable:** Plan Framework and Urban Design Team Charrette.

Subtask No. 4.3: Opportunity Site Development Scenarios

- A. Services:** The Consultant, with assistance from the City and the DCTF (meeting #1 in Task 2 above) and based on the land use scenario development in Subtask 4.1 above, shall identify at least three (3) opportunity sites for which to model three (3) physical development options, including photo-simulations and/or other visual graphics necessary to depict potential new development. These graphics shall illustrate design concepts for vision, land use, open space and placemaking, urban design and streetscape and circulation chapters. The outcomes of this task shall inform the content of Workshop # 2 in Subtask 5.2 below and the development of the design guidelines for the Draft Plan in Subtask 6.6 below.

B. Deliverable:

1. Opportunity Site Development Scenarios Memorandum. The opportunity site development scenarios memorandum shall include diagrams used to illustrate the development of at least three (3) opportunity sites each with three (3) physical development options that may be depicted using 3D models, photo simulations, plans, and sections. These graphics shall illustrate design concepts for vision, land use, open space and place making, urban design and streetscape and circulation chapters.

Each of the development options shall be accompanied by descriptions, diagrams, development tables, pros and cons comparisons, and a summary of the effectiveness of each alternative in meeting project goals and indicators or addressing significant issues project issues.

It is expected that some of these graphics will be used in the final Plan document and will therefore require multiple revisions based on City staff and public comments. As such, the Consultant shall make changes to the graphics to the satisfaction of City staff.

Task No. 5: Workshops

Consultant will complete the subtasks outlined below.

Subtask No. 5.1: Workshop #1: Identifying Plan Principles, Opportunities and Constraints, Land Use

A. Services: The first workshop shall introduce community members to the project, present existing conditions and background research, summarize the public outreach strategy, and gather public input on the opportunities, constraints, goals, principles, and a vision for the Plan Area as determined by City staff and the Consultant. The workshop shall build on the work completed in Subtask 4.1 above. The presentation should include context-sensitive development examples and sketches that can be used for gauging community preferences.

B. Deliverables:

1. Facilitate Workshop #1.
2. Provide an agenda, PowerPoint presentation, and a minimum of five exhibition boards and other graphic materials necessary for community engagement activities.
3. Provide a workshop summary report that will be published on the City's website and shared with the community. This shall be done in a maximum of two weeks after the workshop.
4. Prepare the draft guiding principles/vision. The draft guiding principles/vision report shall identify the guiding principles and vision inspired by community input and will be used for the entire planning process.

Subtask No. 5.2: Workshop #2: Urban Design & Circulation / Streetscape

A. Services: The second workshop shall present the results of stakeholder and community feedback from Workshop #1, build upon the work completed in Subtask 4.3 above, and introduce urban design, streetscape, and circulation concepts, as well as conceptual development alternatives. The workshop shall be geared towards receiving feedback on the draft concepts, alternatives, and features that are desired in the Plan Area, which will be used to help shape the draft Precise Plan.

B. Deliverables:

1. Provide an agenda, PowerPoint presentation, and a minimum of eight (8) exhibition boards and other graphic materials necessary for community engagement activities.
2. Provide a workshop summary report that will be published on the City's website and shared with the community. This shall be done in a maximum of two weeks after the workshop.

Task No. 6: Develop Draft Precise Plan Chapters

Consultant will complete the subtasks outlined below.

A. Services:

The Consultant team will create the draft Plan based on the results of the Land Use Scenarios and Opportunity Site Development Scenarios memorandums, existing conditions report and the results of the public engagement process.

The Consultant team shall develop a template for the draft Precise Plan document in Adobe InDesign. The draft Precise Plan shall address the topics discussed in the subtasks below. Each chapter shall identify principles for the given topic supported by goals, policies, standards, and guidelines as appropriate. The Plan shall include supporting illustrations and graphics that support the narrative.

- 1. Task 6.1: Introduction:** Description of the project setting, purpose of the document, relationship to other City plans and policies, and a description of the planning process used to develop the Plan and the role the public played in creating the Plan.
- 2. Task 6.2: Vision & Guiding Principles:** Describes the overall vision and principles of the Plan.
- 3. Task 6.3: Goals & Policies:** The goals and policies for the Precise Plan shall provide a framework for the physical development of the Plan Area and support the vision for the Plan. The goals and policies shall include, and build upon, the existing policies in the General Plan for the Downtown Focus Area, as well as the City-wide policies related to areas of historic sensitivity, in Section 5.6, and neighborhood compatibility, in Section 5.5.
- 4. Task 6.4: Land Use Plan**
 - a)** The land use fabric shall be designed to facilitate the development of a complete community with a mix of land uses that promote increased pedestrian activity and contribute towards the development of a strong community identity with vibrant public spaces. The land use plan shall also reflect historic structures and transitions to single-family homes.
 - b)** Development within the Plan Area could be at intensities of almost 2.0 FAR, with building heights between five and eight stories. Allowed building intensity and heights in the remainder of the Plan Area are typically lower, with maximum heights between three and four stories. Description of land use designations should reflect the planned total number of units and square footage of non-residential uses. Population and job projections should also be included.
- 5. Task 6.5: Circulation & Parking**
 - a)** To support the development of the preferred alternative and to create "complete" streets for all modes and improve access and safety in and around the Plan Area, the Consultant shall identify conceptual circulation and roadway improvements, and policies and guidelines to support such improvements. The circulation and roadway

improvements will be identified through the results of a transportation and circulation analysis. The analysis shall focus particularly on improving bicycle, pedestrian, and transit access within and to the Plan Area. Specifically, connections to nearby destinations, such as the Santa Clara Transit Station, Santa Clara University, the Old Quad neighborhood, El Camino Real, and City Hall, should be emphasized for pedestrian and bicycle movement. The vision in the General Plan for the Downtown Focus Area includes a future transit loop to connect the Downtown area to the Santa Clara Transit Station, and possibly the aforementioned areas.

- b) The circulation network for the Precise Plan shall serve all modes of travel and may include new streets, paths and connections to existing roadways. Specifically, the General Plan calls for reconnecting Franklin Street and returning the street grid. Storm water management in the public right-of-way shall also be addressed. Circulation maps, graphics, and cross section recommendations for streets and path facilities in the Plan Area shall be prepared.
- c) Parking management strategies and Transit Oriented Development (TOD) parking ratios shall be identified, as well as a range of Transportation Demand Management (TDM) measures that may be applied to future development projects.
- d) Wayfinding Program: The Consultant shall develop a comprehensive wayfinding and community identification sign program to promote the identity of the Downtown Plan Area and make it easier for visitors to find their way around and enhance the overall experience. As a part of this program, gateway locations should be identified.

6. Task 6.6: Design Guidelines

The design guidelines shall build upon the City's existing General Plan design policies, as well as the information gathered at the community workshops, TAC, and DCTF meetings, to identify additional guidelines that should apply specifically to this Plan. These guidelines shall be designed to facilitate attractive pedestrian, bicycle, and transit-oriented development that is also consistent with sustainability and green building best practices. The design guidelines shall be supported with illustrations and graphics necessary to provide a clear understanding of the intent of key guidelines.

- a) Building Design Guidelines: For new development within the Plan Area the building design guidelines shall address: building siting; bulk and massing; height; setbacks; transitions to adjacent existing low scale uses; transitions and sensitivity to adjacent historic resources; building articulation; architecture; landscape design strategies; and parking design.
- b) Open Space Design Guidelines: Open space design guidelines shall address the provision for adequate public and private open space as

an integral part of the conceptual land-use alternatives and site planning for new development. These guidelines shall also address creating a network of open spaces connected by greenways and/or pedestrian-priority streets that complement and connect with other existing open spaces within a half mile distance of the Plan Area.

- c) Streetscape / Public Realm Design Guidelines: The Consultant shall develop "public realm" streetscape plans that identify conceptual improvements for specific locations from the range of options discussed with the community. Streetscape improvements should include enhanced bikeways, widened and enhanced sidewalks and park strips, street trees, medians, pedestrian bulb-outs and pedestrian crossing refuge areas, transit stop improvements, enhanced crosswalks, placemaking strategies, public space and plazas, lighting, landscape and furnishings, signage, etc. The Consultant shall provide graphic representations of the streetscape plans, including:
- Before/after photomontage (simulation) illustrations for streetscape and circulation improvements;
 - Streetscape sections; and
 - Diagrams/graphics that illustrate streetscape improvement concepts, including, but not limited to, crosswalks, bike lanes, intersection improvements, curb ramps, and pedestrian refuge islands.

7. Public Services and Implementation

- a) The Consultant shall include information about services and infrastructure needed to implement the Plan, including specific policies regarding utilities, public safety, and parks.
- b) The Plan shall also identify actions and strategies for its implementation, including needed infrastructure improvements, such as roadways and parkland, and financing strategies to enable these improvements. An evaluation of projected costs and revenues associated with the proposed new streets (including utility infrastructure) and trolley loop and its potential effect on the City's budget should also be included.

B. Deliverables:

1. Administrative Draft Downtown Precise Plan:
- a) One (1) Microsoft Word copy of the Plan (text only);
 - b) One (1) Adobe InDesign template for the Plan document;
 - c) One (1) Adobe InDesign copy of the Plan;
 - d) All electronic source files used to create the document; and
 - e) All electronic supplementary files to the report.

Task No. 7: Community Open House

Consultant will complete the tasks outlined below.

- A. Services:** The Consultant team shall assist staff in hosting an open house to present the Draft Plan to the community and provide an opportunity for the community to comment.
- B. Deliverables:**
 - 1. Prepare and provide an agenda, PowerPoint presentation, and exhibition boards.
 - 2. Facilitate the Community Open House.
 - 3. Provide a workshop summary report that will be published on the City's website and shared with the community. This shall be done in a maximum of two weeks after the workshop.

Task No.8: Draft Plan Refinement

Consultant will complete the tasks outlined below.

- A. Services:** Refine the Plan document based on the comments received from the open house and TAC and DCTF meetings. The plan refinement may require multiple revisions in coordination with City staff.
- B. Deliverables:**
 - 1. One (1) Adobe InDesign copy of the refined Draft Plan.
 - 2. All electronic source files used to create the document.
 - 3. All electronic supplementary files to the report.
 - 4. One (1) fully editable PDF copy of the refined Draft Plan.

Task No. 9: California Environmental Quality Act (CEQA) Clearance

Consultant will complete the subtasks outlined below.

Subtask No. 9.1: Define Project, Review Data, Determine Existing Conditions, and Determine CEQA Strategy

- A. Services:** The Consultant shall work with City staff to define and determine the CEQA strategy necessary to prepare and complete the necessary CEQA documentation for adoption of the Precise Plan. The Consultant shall participate in a kick-off meeting to help determine the CEQA strategy and schedule. The meeting agenda shall include, but not be limited to, defining the scope, identifying the sections to include in the environmental document, collecting the necessary data and research, and determining the existing conditions.

B. Deliverables:

1. Attend Kick-off meeting.
2. CEQA Strategy and Schedule.

Subtask No. 9.2: Prepare Draft Environmental Review Clearance Documents

A. Services: Consultant shall prepare draft environmental review clearance documents. The environmental review scope is anticipated to include a program level Initial Study with technical studies, and Negative Declaration or Mitigated Negative Declaration that tier off the certified Environmental Impact Report (EIR) for the City of Santa Clara 2010-2035 General Plan. The document shall address all required CEQA topics. At a minimum, technical studies will be required for cultural resources, traffic, and air quality.

B. Deliverables:

1. Notice of Determination, one draft and one final version.
2. Attend one Planning Commission and one City Council hearing.
3. Prepare final Initial Study.

However, if an EIR is required, the report shall include the following deliverables:

1. Prepare a Notice of Preparation (NOP) (one draft and one final).
2. Assist City staff with scoping meeting(s); review, compile, and respond to comments received.
3. Prepare Administrative and public draft EIR.
4. Prepare a Notice of Completion (NOC) and Notice of Availability (NOA) (one draft and one final).
5. Prepare the First Amendment to the Draft EIR; including Response to Comments, Mitigation Monitoring and Reporting Program, CEQA Findings, and Statement of Overriding Considerations, if applicable.
6. Prepare Notice of Determination (NOD) (one draft and one final).
7. Attend one (1) Planning Commission and one (1) City Council hearing.
8. Prepare final environmental document.

Task No. 10: Planning Commission and City Council Public Hearings

Consultant will complete the subtasks outlined below.

Subtask No. 10.1: Planning Commission Hearing

A. Services: The Consultant team shall make changes to the draft document (text and/or graphics) based on the Planning Commission's recommendations.

B. Deliverables:

1. Attendance at Planning Commission Hearing.
2. Preparation of material content for staff report and PowerPoint presentation.

Subtask No. 10.2: City Council Hearing

A. Services: The Consultant team shall make changes to the draft document (text and/or graphics) based on the City Council's recommendations.

B. Deliverable:

1. Attendance at City Council Hearing.
2. Preparation of material content for staff report and PowerPoint presentation.

3. OPTIONAL TASKS

At the City's sole option, the Consultant may assist the City with the development of a Request for Proposals (RFP) for the sale or lease for the development of City-owned properties located within the Downtown Precise Plan Area, by performing one or more of the services described below. All optional tasks performed shall be priced pursuant to the pricing stated in the Optional Task Price List in Exhibit B, Section 4.

3.1. Optional Tasks

- 5.4.1. Developer Round Table Conference: Consultant shall engage with the developer community to form a panel that reflects the various project types that may be appropriate to different areas of the Downtown study area. Consultant shall facilitate a round table conference where the developers will show the projects they have built and explain how they may be appropriate to certain downtown infill opportunities and what project characteristics would be attractive to them.
- 5.4.2. Student Engagement: Consultant shall perform targeted outreach to students at Santa Clara University, local high schools and other youth organizations to engage them in shaping the future of Downtown Santa Clara.
- 5.4.3. Summer Event Pop-Ups: Consultant shall facilitate up to three (3) pop-up booths at city-wide events such as farmers markets, art & wine festivals, street dance events, the Fourth of July City picnic, etc.
- 5.4.4. Meeting in A Box: Consultant shall provide a complete package of engagement tools to City staff or partner organizations to conduct outreach and engagement meetings. Consultant shall also perform an audit of the meeting(s) with TAC/DCTF members and stakeholders.

- 5.4.5. Retail "101" Workshop: Consultant shall present a workshop discussing how retailers determine if a new store is warranted; how data is collected and analyzed; how real estate is evaluated; and how internal decision processes work. Participant takeaways shall include an understanding of retailer processes, so they can determine whether a retailer cares about a particular property, and how to communicate a property's compelling attributes to a potential retail tenant.
- 5.4.6. Ground-Floor Retail Best Practices Guidance Document: Consultant will prepare a guidance document for City staff (and developers) to use to make sure that ground floor space is designed appropriately for retail uses.
- 5.4.7. Illustrations: Consultant shall provide artist renderings of the preferred concept.
- 5.4.8. Phase 1 Environmental Assessment: The Initial Study's Hazardous Materials section will be augmented by a Phase I Environmental Site Assessment prepared by Consultant, or Subconsultant. Mitigation measures to reduce significant hazard and hazardous material impacts will be identified, as appropriate.
- 5.4.9. Environmental Impact Report: Consultant shall prepare an Environmental Impact Report.
- 5.4.10. Support Preparation of Developer RFP: Consultant shall assist the City in the preparation and review of a developer RFP.

EXHIBIT B SCHEDULE OF FEES

1. Maximum Compensation

The maximum amount of compensation to be paid to Consultant shall not exceed Five Hundred Seventy-Eight Thousand Three Hundred Forty-Six Dollars (\$578,346).

2. Project Tasks

City shall pay Consultant for completed Downtown Precise Plan preparation tasks as set forth in the Scope of Services (Exhibit A) at the rates listed in Table B1- Payment Schedule below.

3. Reimbursable Expenses

City shall pay Consultant for approved reimbursable expenses. The total not-to-exceed compensation for reimbursable expenses is listed in Table B1- Payment Schedule below.

Table B1 – Payment Schedule

Task Number	Deliverable	Cost
1.1	Project Initiation Kick-off Meeting	\$19,910
1.3	Existing Conditions Report	\$33,945
1.4	Opportunities and Constraints Report	\$13,170
2	Public Outreach Strategy Memo	\$1,850
2	Online Community Engagement Tool	\$6,970
2	Materials for Meetings	\$3,660
2	Meeting Minutes and Comment Summaries	\$3,120
2	Attend Three TAC Meetings	\$11,230
2	Attend Four DCTF Meetings	\$15,880
2	Attend up to Five Public Meetings	\$5,240
2	Attend Two Planning Commission Hearings and Two City Council Study Sessions	\$10,320
3	Financial Analysis Report	\$31,260
4.1	Land Use Scenarios Memo	\$38,235
4.2	Opportunity Site Development Scenarios Memorandum	\$36,505
5	Plan, Schedule, and Facilitate Two Workshops	\$21,014

5	Draft guiding principles/vision report for Workshop #1	\$540
5	Workshop summary report for two workshops	\$567
6	Administrative Draft Downtown Precise Plan	\$68,380
7	Prepare agenda, PowerPoint Presentation, and exhibition boards, and attend Community Open House	\$9,994
7	Workshop summary report for Community Open House	\$526
8	Refine the draft Plan document	\$12,880
9.1	Attend CEQA project meeting	\$2,930
9.1	Prepare CEQA strategy and schedule documents	
9.2	Administrative draft environmental document	\$69,950
9.2	Notice of Preparation	
9.2	Assist City staff with scoping meeting(s); review, compile, and respond to comments received	
9.2	Prepare Administrative and public draft EIR	
9.2	Prepare a Notice of Completion and Notice of Availability	
9.2	Prepare amendment to draft EIR	
9.2	Notice of Determination	
9.2	Attend one Planning Commission hearing and one City Council hearing	
9.2	Final draft of the EIR	
10.1	Attend Planning Commission Hearing	\$5,160
10.2	Attend City Council Hearing	\$5,160
10.2	Materials for the staff report and PowerPoint presentation	\$9,680
	Reimbursable Expenses	\$14,295
TOTAL		\$452,371

4. Optional Tasks

- 4.1. At the City's sole option Consultant shall perform the optional task(s) listed in Exhibit A, Section 3 entitled "Optional Tasks".
- 4.2. City shall pay Consultant for completed optional tasks at the rates listed in Table B2-Optional Task Price List below.

Table B2 – Optional Task Price List

Task	Cost
Developer Round Table Conference	\$8,320
Student Engagement	\$7,500
Summer Event Pop-Ups	\$8,020
Meeting in A Box	\$2,940
Retail "101" Workshop	\$2,500
Ground-Floor Retail Best Practices Guidance Document	\$4,000
Phase 1 Environmental Assessment	\$14,375
Prepare EIR	\$30,000 - \$70,000
Support Preparation of Developer RFP (per site)	\$8,320

5. Invoicing

- 5.1. Consultant shall submit to the City a monthly invoice by the fifteenth (15th) day of each month, in arrears, for payment for services performed the previous month, pursuant to this Agreement.
- 5.2. Each invoice shall include the task costs for the previous month. The invoiced task costs shall be in a separate section from the reimbursable expenses.
- 5.3. The City shall review the invoice submitted by Consultant and within ten (10) working days of receipt of the invoice, the City shall notify Consultant of any discrepancies or deficiencies in said invoice.
- 5.4. If the City disputes an expense in an invoice, the City may deduct the disputed expense from the payment of that invoice, provided that the City submits to the Consultant a written explanation of why the expense is being disputed.

8. Payment to Consultant

- 8.1.** Except as otherwise provided in this Agreement, the City shall make monthly payments within thirty (30) calendar days from the City's approval of Consultant's invoice.

EXHIBIT C

INSURANCE REQUIREMENTS

Without limiting the Consultant's indemnification of the City, and prior to commencing any of the Services required under this Agreement, the Consultant shall provide and maintain in full force and effect, at its sole cost and expense, the following insurance policies with at least the indicated coverages, provisions and endorsements:

A. COMMERCIAL GENERAL LIABILITY INSURANCE

1. Commercial General Liability Insurance policy which provides coverage at least as broad as Insurance Services Office form CG 00 01. Policy limits are subject to review, but shall in no event be less than, the following:

\$1,000,000 Each Occurrence
\$2,000,000 General Aggregate
\$2,000,000 Products/Completed Operations Aggregate
\$1,000,000 Personal Injury

2. Exact structure and layering of the coverage shall be left to the discretion of Consultant; however, any excess or umbrella policies used to meet the required limits shall be at least as broad as the underlying coverage and shall otherwise follow form.
3. The following provisions shall apply to the Commercial Liability policy as well as any umbrella policy maintained by the Consultant to comply with the insurance requirements of this Agreement:
 - a. Coverage shall be on a "pay on behalf" basis with defense costs payable in addition to policy limits;
 - b. There shall be no cross-liability exclusion which precludes coverage for claims or suits by one insured against another; and
 - c. Coverage shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of liability.

B. BUSINESS AUTOMOBILE LIABILITY INSURANCE

Business automobile liability insurance policy which provides coverage at least as broad as ISO form CA 00 01 with policy limits a minimum limit of not less than one million dollars (\$1,000,000) each accident using, or providing coverage at least as broad as, Insurance Services Office form CA 00 01. Liability coverage shall apply to all owned, non-owned and hired autos.

In the event that the Work being performed under this Agreement involves transporting of hazardous or regulated substances, hazardous or regulated

wastes and/or hazardous or regulated materials, Consultant and/or its subconsultants involved in such activities shall provide coverage with a limit of two million dollars (\$2,000,000) per accident covering transportation of such materials by the addition to the Business Auto Coverage Policy of Environmental Impairment Endorsement MCS90 or Insurance Services Office endorsement form CA 99 48, which amends the pollution exclusion in the standard Business Automobile Policy to cover pollutants that are in or upon, being transported or towed by, being loaded onto, or being unloaded from a covered auto.

C. WORKERS' COMPENSATION

1. Workers' Compensation Insurance Policy as required by statute and employer's liability with limits of at least one million dollars (\$1,000,000) policy limit Bodily Injury by disease, one million dollars (\$1,000,000) each accident/Bodily Injury and one million dollars (\$1,000,000) each employee Bodily Injury by disease.
2. The indemnification and hold harmless obligations of Consultant included in this Agreement shall not be limited in any way by any limitation on the amount or type of damage, compensation or benefit payable by or for Consultant or any subconsultant under any Workers' Compensation Act(s), Disability Benefits Act(s) or other employee benefits act(s).
3. This policy must include a Waiver of Subrogation in favor of the City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents.

D. PROFESSIONAL LIABILITY

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against negligent acts, errors or omissions of the Consultant. Covered services as designated in the policy must specifically include work performed under this agreement. Coverage shall be in an amount of not less than one million dollars (\$1,000,000) per claim or two million dollars (\$2,000,000) aggregate. Any coverage containing a deductible or self-retention must first be approved in writing by the City Attorney's Office.

E. COMPLIANCE WITH REQUIREMENTS

All of the following clauses and/or endorsements, or similar provisions, must be part of each commercial general liability policy, and each umbrella or excess policy.

1. Additional Insureds. City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents are hereby added as additional insureds in respect to liability arising out of Consultant's work for City, using Insurance Services Office (ISO) Endorsement CG 20 10 11 85

or the combination of CG 20 10 03 97 and CG 20 37 10 01, or its equivalent.

2. Primary and non-contributing. Each insurance policy provided by Consultant shall contain language or be endorsed to contain wording making it primary insurance as respects to, and not requiring contribution from, any other insurance which the Indemnities may possess, including any self-insurance or self-insured retention they may have. Any other insurance Indemnities may possess shall be considered excess insurance only and shall not be called upon to contribute with Consultant's insurance.
3. Cancellation.
 - a. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided due to non-payment of premiums shall be effective until written notice has been given to City at least ten (10) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least ten (10) days prior to the effective date of non-renewal.
 - b. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided for any cause save and except non-payment of premiums shall be effective until written notice has been given to City at least thirty (30) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least thirty (30) days prior to the effective date of non-renewal.
4. Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through D of this Exhibit C, above.

F. ADDITIONAL INSURANCE RELATED PROVISIONS

Consultant and City agree as follows:

1. Consultant agrees to ensure that subconsultants, and any other party involved with the Services who is brought onto or involved in the performance of the Services by Consultant, provide the same minimum insurance coverage required of Consultant, except as with respect to limits. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Agreement. Consultant agrees that upon request by City, all agreements with, and insurance compliance

documents provided by, such subconsultants and others engaged in the project will be submitted to City for review.

2. Consultant agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Consultant for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.
3. The City reserves the right to withhold payments from the Consultant in the event of material noncompliance with the insurance requirements set forth in this Agreement.

G. EVIDENCE OF COVERAGE

Prior to commencement of any Services under this Agreement, Consultant, and each and every subconsultant (of every tier) shall, at its sole cost and expense, provide and maintain not less than the minimum insurance coverage with the endorsements and deductibles indicated in this Agreement. Such insurance coverage shall be maintained with insurers, and under forms of policies, satisfactory to City and as described in this Agreement. Consultant shall file with the City all certificates and endorsements for the required insurance policies for City's approval as to adequacy of the insurance protection.

H. EVIDENCE OF COMPLIANCE

Consultant or its insurance broker shall provide the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage shall be delivered to City, or its representative as set forth below, at or prior to execution of this Agreement. Upon City's request, Consultant shall submit to City copies of the actual insurance policies or renewals or replacements. Unless otherwise required by the terms of this Agreement, all certificates, endorsements, coverage verifications and other items required to be delivered to City pursuant to this Agreement shall be mailed to:

EBIX Inc.

City of Santa Clara, Parks and Recreation Department

P.O. Box 100085 – S2

or

1 Ebix Way

Duluth, GA 30096

John's Creek, GA 30097

Telephone number: 951-766-2280

Fax number: 770-325-0409

Email address: ctsantaclara@ebix.com

I. QUALIFYING INSURERS

All of the insurance companies providing insurance for Consultant shall have, and provide written proof of, an A. M. Best rating of at least A minus 6 (A- VI) or shall be an insurance company of equal financial stability that is approved by the City or its insurance compliance representatives.



Agenda Report

19-1006

Agenda Date: 10/8/2019

REPORT TO COUNCIL

SUBJECT

Action on the Award of Agreement to Wallace Roberts & Todd, LLC for Downtown Precise Plan Consultant Services and Related Budget Amendment

BACKGROUND

The City of Santa Clara's 2010-2035 General Plan identifies focus areas throughout the City, including the Downtown area, to promote the City's diverse economic base and meet the demand for housing that addresses job growth in the City and region.

In August 2015, the Santa Clara City Council adopted a Strategic Objective to evaluate a Santa Clara Downtown/Super Block project. The City then hired an urban design consultant to help facilitate a series of workshops and meetings between October 2015 and November 2017, which were used to gather community input on a vision for the Downtown area's future development. Through this process the community identified several objectives for the redevelopment of the Downtown area as a vibrant, pedestrian-oriented destination. The restoration of Franklin Street as a public right-of-way open to vehicular traffic was identified as a primary objective.

The possibility of revitalizing the City's historic Downtown area has engaged City community members, including organizations such as Reclaiming Our Downtown and the Old Quad Resident's Association. In response to community interest, the City Council approved the Biennial 2018/19 and 2019/20 Capital Improvement Program Budget that includes \$400,000 to support the preparation of a Precise Plan that will provide guidance for new development within the Downtown area through policies, guidelines, and illustrations that implement the community vision and objectives for a vibrant, pedestrian-oriented destination. As part of this effort, the City requires a consultant to assist in the preparation of the Precise Plan.

DISCUSSION

In February 2019, the City issued a Request for Qualifications (RFQ) for Downtown Precise Plan Consultant Services, using the City's e-procurement system. A total of 75 companies viewed the RFQ and the City received proposals from four companies by the March 25, 2019 deadline:

- Dyett & Bhatia Urban & Regional Planners (Oakland, CA)
- Lisa Wise Consulting, Inc. (San Francisco, CA)
- M. Arthur Gensler, Jr. & Associates dba Gensler (Los Angeles, CA)
- Wallace Roberts & Todd, LLC (San Francisco, CA)

Evaluation: A seven-member evaluation team with representation from the Community Development Department, Public Works Department, City Manager's Office, and the Downtown Community Task Force was formed to evaluate the proposals. Each team member independently evaluated and scored the proposals.

Proposal Responsiveness: Staff determined all proposals were responsive and met the initial pass/fail review of the stated minimum qualifications.

Cover Letter and Qualifications (25% weight): A letter identifying the proposer's firm and highlights of the proposal package. Additionally, each proposer submitted a statement of qualifications for their firm and proposed project staff including resumes and relevant project lists.

Project Approach (25% weight): The evaluation team evaluated the proposers' project approach including the major tasks and services to be provided, and proposed subconsultants.

Draft Scope of Work (40% weight): The proposers were required to submit a draft scope of work for the project including a project schedule that outlined the timing of each task and deliverable.

References (5% weight): The proposers were required to submit with their proposal three references for similar services performed.

Cost (5% weight): Cost proposals were opened and scored at the end of the technical proposal evaluation.

Oral Presentations: On June 28, 2019, the four proposers were invited to participate in oral presentations to demonstrate their knowledge and understanding of the City's requirements and introduce key personnel who would be assigned to the project.

The evaluation results are summarized in the table below.

<u>Criteria</u>	<u>Maximum Points</u>	<u>Dyett & Bhatia</u>	<u>Lisa Wise Consulting</u>	<u>Gensler</u>	<u>Wallace Roberts & Todd</u>
Cover Letter	5	4	4	4	4
Firm Qualifications	10	8	8	8	8
Staff Qualifications	10	8	8	8	8
Draft Scope of Work	40	27	29	32	33
Project Approach	25	19	19	18	21
References	5	3	4	4	5
Cost	5	5	4	4	4
Totals	100	74	76	78	83

Notice of Intended Award:

A Notice of Intended Award (NOIA) announcing the City's recommended Consultant was published on July 1, 2019. The RFQ process included a ten-day protest period; no protests were received.

Recommendation:

Staff recommends award of agreement to Wallace Roberts & Todd, LLC. The evaluation team unanimously agreed that their expertise and project approach is the most advantageous and provides the best value to the City. The Consultant's team is comprised of industry experts in town planning, placemaking, transportation, economic development, environmental analysis, and community engagement. Additionally, their solution included the following key attributes.

- Integrated community engagement that is built upon the efforts conducted in 2015 and 2017;
- Balance between community needs and development realities;
- Pro forma financial feasibility testing of prototypical opportunities to provide an assessment of current planning parameters and the economic challenges to creating the desired development pattern; and
- Development of a plan framework that is based on good town-making principles.

References were checked with Universal Paragon Corporation (California), the City of Millbrae (California), and the Town of Windsor (California). The references checked positive.

Pending Council's approval, the Agreement shall be executed to provide the required consulting services for the Downtown Precise Plan development. The initial term of the Agreement shall be for three years ending on September 30, 2022, with an option to extend the Agreement for an additional three-year term through September 30, 2025.

The agreement is fixed-price with payments tied to the successful completion of the milestones listed in the table below. The cost elements include the tasks from the scope of work that were identified in the RFQ, as well as the optional tasks identified by the Consultant in their RFQ response.

COST ELEMENTS:	
Project Initiation	\$67,025
Issue Identification and Vision	\$58,270
Financial Analysis	\$31,260
Development Scenarios/Conceptual Plans	\$74,740
Workshops	\$22,121
Draft Precise Plan Chapter Development	\$68,380
Public Services and Implementation	\$10,520
Draft Precise Plan Refinement	\$12,880
CEQA Clearance	\$72,880
Planning Commission & City Council Public Hearings	\$20,000
Reimbursable Expenses	\$14,295
Services Subtotal	\$452,371
Optional Services	\$125,975
GRAND TOTAL	\$578,346

Scope of Work Summary:

The Consultant shall work closely with the City and Downtown Community Task Force in the development of the Precise Plan. The Plan process shall include periodic check-ins with the City Council to report on community and Task Force input, and to receive Council feedback at key milestones in the planning process such as the completion of the market assessment; the proposed vision scenarios; and the preferred land use plan. Preparation of the Plan is anticipated to require approximately 18 months and includes the following key work program elements.

- Analysis of existing conditions;
- Development of a public outreach strategy for the planning process;
- Analysis of potential market demand for housing, commercial, office, and mixed-use development in the Precise Plan area;
- Development of three (3) long-term vision scenarios that represent the planned build out of the Plan area including, land use and development intensities, multi-modal connectivity improvements, open space plans, and streetscape and public space improvements;
- Analysis of the economic feasibility of each land use scenario, along with a summary of community input, to inform the selection of a preferred scenario;
- Design guidelines that build upon the City's existing General Plan design policies, as well as the information gathered during the community outreach activities; and
- The Precise Plan document, including the preferred land use scenario.

The unanimous selection of the Consultant by the evaluation team reflects the expertise the Consultant demonstrated in areas reflective of the work program, including the preparation of downtown plans, conducting community engagement, real estate economics, and form-based codes and other zoning tools.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

FISCAL IMPACT

Funds in the amount of \$400,000 were allocated for the development of a Downtown Precise Plan, including the Franklin Street restoration, in the CIP budget (CIP 539-6559). From this budget, \$90,000 was spent on a non-refundable deposit for an option on the acquisition of the Franklin Street Right-of-Way easement.

The Consultant's proposal for the scope of work requested by the City has a cost of \$452,371. Additionally, the Consultant's proposed optional tasks total \$125,975. The combined total cost of the Consultant's services is \$578,346. Currently the available budget amounts to \$310,000. Therefore, staff is requesting that funds in the amount of \$268,346 be allocated from the Advanced Planning Reserve to cover the total cost of the Agreement.

The budget amendment below allocates funding from the Advanced Planning Reserve account to the Downtown Master Plan Capital Project in the amount of \$268,346.

**Budget Amendment
FY 2019/20**

	Current	Increase/ (Decrease)	Revised
<u>General Fund</u>			
<u>Reserve</u>			
Advanced Planning	\$368,749	(\$268,346)	\$100,403
<u>Transfers Out</u>			
Transfer to the General Government Capital Fund	\$933,535	\$268,346	\$1,201,881
<u>General Government Capital Fund</u>			
<u>Transfers In</u>			
Transfer from the General Fund	\$933,535	\$268,346	\$1,201,881
<u>Expenditures</u>			
Downtown Master Plan Project	\$310,000	\$268,346	\$578,346

COORDINATION

This report has been coordinated with the Finance Department and the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Authorize the City Manager to execute an agreement with Wallace Roberts & Todd, LLC to provide Downtown Precise Plan Consultant Services for an initial three-year term ending September 30, 2022, for a maximum compensation not to exceed \$578,346, subject to the annual appropriation of funds;
2. Approve the related budget amendment recognizing appropriations of an additional \$268,346 in FY 2019/20 in the Downtown Master Plan Capital Improvement Project for the development of a Downtown Precise Plan funded by the General Fund Advanced Planning Reserve; and

3. Authorize the City Manager to execute an amendment to extend the Agreement for an additional three-year period ending September 30, 2025 and increase maximum compensation in the event that additional services are required, subject to the annual appropriation of funds.

Reviewed by: Andrew Crabtree, Director of Community Development

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Agreement with Wallace Roberts & Todd, LLC

**AMENDMENT NO. 1
TO THE AGREEMENT FOR SERVICES
BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA,
AND
WALLACE ROBERTS & TODD, LLC**

PREAMBLE

This agreement ("Amendment No. 1") is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and Wallace Roberts & Todd, LLC, a Delaware Corporation (Consultant). City and Consultant may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

- A. The Parties previously entered into an agreement entitled "Agreement for Services Between the City of Santa Clara, California, and Wallace, Roberts & Todd, LLC," dated October 17, 2019 (Agreement); and
- B. The Parties entered into the Agreement for the purpose of having Consultant prepare a Downtown Precise Plan, and the Parties now wish to amend the Agreement to expand the scope of services and corresponding maximum compensation.

NOW, THEREFORE, the Parties agree as follows:

AMENDMENT TERMS AND CONDITIONS

- 1. Section 6 of the Agreement, entitled "Compensation and Payment," is amended to reflect a revised maximum compensation value of eight hundred seventy-eight thousand, three hundred forty-six dollars (\$878,346).
- 2. Exhibit A of the Agreement, entitled "Scope of Services," is updated by appending the attached "Addendum to Scope of Services" to add new tasks to the original scope.
- 3. Exhibit B of the Agreement, entitled "Schedule of Fees," is amended to reflect a revised maximum compensation value of eight hundred seventy-eight thousand, three hundred forty-six dollars (\$878,346).
- 4. Except as set forth herein, all other terms and conditions of the Agreement shall remain in full force and effect. In case of a conflict in the terms of the Agreement and this Amendment No. 1, the provisions of this Amendment No. 1 shall control.




The Parties acknowledge and accept the terms and conditions of this Amendment No. 1 as evidenced by the following signatures of their duly authorized representatives.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form:

Dated: 10/21/21

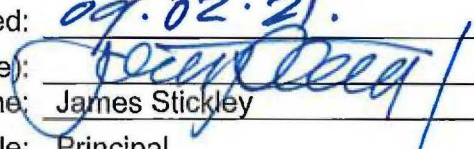

OFFICE OF THE CITY ATTORNEY
CITY OF SANTA CLARA


DEANNA J. SANTANA
City Manager
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

"CITY"

WALLACE ROBERTS & TODD, LLC
a Delaware Corporation

Dated: 09.02.21.

By (Signature): 

Name: James Stickley

Title: Principal

Principal Place of 478 Tehama Street, Suite 2B

Business Address: San Francisco, CA 94103

Email Address: jstickley@wrtdesign.com

Telephone: (415) 575-4722

Fax: (215) 732-2551

"CONSULTANT"

I:\PLANNING\Admin\Contracts\WRT\Amendment No. 1 - Form.doc

Addendum to Scope of Services

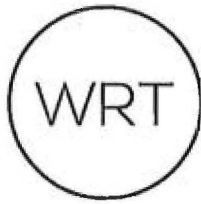
The following tasks are to be included as additional services. A detailed description of these tasks is included in the attached proposal, entitled "DCTF Requested Additional Services" dated May 10, 2021, as presented to the City Council in RTC 21-667 on May 25, 2021.

Task	Fee	Timing
1 Form-based Zoning Code	\$118,600	7 months
2 Precise Plan Financing Analysis	\$103,700	4 to 6 months
3 Downtown Management Entity	\$21,000	2 months
4 Project Design Review	\$3,900	Ongoing
5 Additional DCTF Meetings	\$4,400	Ongoing
Total:	\$251,600	7 months

An additional \$48,400 is being included in the contractual maximum compensation as a contingency to cover any unforeseen added Downtown community Task Force (DCTF) meetings, community outreach, or additional analysis. Use of this contingency shall be approved in writing by the City of Santa Clara's project manager prior to commencement of work.

In no event shall the maximum compensation under this contract for any and all services exceed eight hundred seventy-eight thousand, three hundred forty-six dollars (\$878,346), subject to annual budget appropriations.





MEMORANDUM

To: Lesley Xavier
Principal Planner, City of Santa Clara
Via email

Date: May 10, 2021
From: Peter Winch
Project Manager, WRT
Ref. No.: 08334.01
Project: Santa Clara Downtown Precise Plan
Re: DCTF-Requested Additional Services

CC: Jim Stickley
Principal, WRT

Dear Lesley,

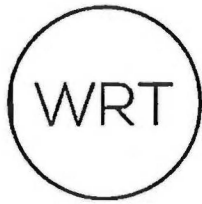
The Downtown planning process has reached an exciting stage where the shape of the future downtown is coming into focus and excitement is building to create something that is a true reflection of this unique community. The Task Force and City are showing leadership in starting to think pro-actively about the next steps towards implementation and making sure that those steps lead to the best possible outcomes for a successful downtown.

At DCTF direction, the Consultant team described ten potential tasks that could augment and strengthen the Precise Plan. The Task Force considered these options, and decided to recommend five of these for additional City funding. On April 6, City Council asked for the Task Force and Staff to return with more a more detailed proposal for these scope items:

- Form-based Code
- Sign Ordinance for Downtown
- Area Development Impact Fee Program
- Project Design Review (1-2)
- Additional DCTF Meeting (1-2)

Subsequently, DCTF also requested that an additional task, "Downtown Management Entity," be included.

These additional services are presented here; the form-based code and sign ordinance are presented as one combined effort. The total Consultant fee for these proposed tasks is \$251,600, including labor and reimbursable costs. The tasks are expected to be completed within a 7-month



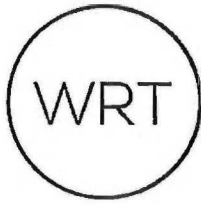
MEMORANDUM

timeframe. We recommend these scope items can proceed as soon as funding is available, and all will benefit from occurring in tandem with the Precise Plan itself. It is not essential for outcomes of these tasks to be included in the Precise Plan. However, we do recommend that the Task Force make themselves comfortable with the level of oversight needed for tasks running concurrently, to allow the Task Force to be fully involved in each part of the process. A project schedule showing the potential alignment between existing and proposed scope items is included as an attachment.

Summary of Proposed Additional Services

<i>Task</i>	<i>Fee</i>	<i>Timing</i>
1 Form-based Zoning Code	\$118,600	7 months
2 Precise Plan Financing Analysis	\$103,700	4 to 6 months
3 Downtown Management Entity	\$21,000	2 months
4 Project Design Review	\$3,900	Ongoing
5 Additional DCTF Meetings	\$4,400	Ongoing
Total	\$251,600	7 months

VFS.



MEMORANDUM

Santa Clara Downtown Precise Plan Potential Additional Services, May 10, 2021

1. FORM-BASED ZONING CODE

David Sargent Town Planning (DSTP) and WRT will collaborate with the Downtown Community Task Force (DCTF) and the City in preparing a form-based development code for the Plan area. Such a code could be adopted as part of the Precise Plan document, or could be adopted as new form-based zones that are integrated into the City's municipal code.

One advantage of adopting the standards as new form-based zones is that if one or more of the zones proved useful in other parts of town – for instance in some segments of El Camino Real – that zone could simply be applied to that area with a zoning map amendment.

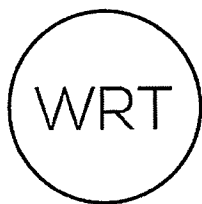
We attach for reference the most recent Code we have prepared, for a plan in Claremont that has many characteristics in common with the SCDPP area. The area is around 20 acres and the Plan seeks to make “more downtown” on a more or less vacant site that is adjacent to low-density residential neighborhoods. The Code we propose to make for Santa Clara would be similar to this code in many ways, but of course customized as necessary to implement the intentions of the SCDPP, and integrated with Santa Clara's policy and regulatory framework.

The document will be prepared using Adobe InDesign and delivered in PDF format. We strongly recommend that the Code be published online as a PDF and not disassembled to be hosted on an online publishing platform (like Municode or Code Publishing). We have a lot of experience with this, and unless these services have made significant advancements in their technology in the past year, the way they organize codes as running text and occasional pictures renders a form-based code nearly unusable. The state of the art is still simply having a link wherever the municipal code is hosted that connects to a web server (likely the City's website) where the PDF is viewable and downloadable as a competently formatted document.

The DSTP/WRT Team (“the Team”) proposes to organize this work into the following tasks:

Task 1.1: Project Initiation and Scope Confirmation

JS.



MEMORANDUM

1.1a - Kick-off Meeting: To initiate this phase of work, the Team will meet with City staff to confirm major tasks and deliverables, discuss overall schedule, establish communication protocols between DSTP, WRT, City Staff and the DCTF, and discuss/confirm any other relevant administrative protocols needed to progress this work efficiently.

1.1b - Vision Confirmation: The Team will work collaboratively with the DCTF and City staff to refine and confirm the vision for the SCDPP Area (Plan Area); as it relates to street types, public space types, building massing schemes, frontage types, and parking configurations. We are confident that this effort can be integrated seamlessly into the ongoing Precise Plan work. We believe that the rigor and organized decision making required to build the framework for such a Code will be very helpful clarifying the range of possibilities for each block, street, and open space in terms of the height, use, massing, and frontage character of new development.

As shown in the proposed budget (attached), the Team anticipates that Task 1 would occur in three iterations, including calls with City staff and then meetings with the DCTF at the end of each iteration. It will be very important to reach consensus with the DCTF at this stage, confirming the vision and agreeing upon regulatory parameters and typologies. We also suggest that the Committee's role in subsequent tasks/stages of Code preparation be diminishing from task to task, as the work from here forward shifts from the general vision to the making of a rather technical document to communicate that vision and those intentions to design professionals and ensure its realization.

We strongly recommend that this task commence as soon as practical, and run concurrently with the confirmation of the Vision and Plan in the Precise Plan.

1.1c - Code Format/Technique Confirmation: Concurrently with Task 1.2, and based on our other recent code work, DSTP will prepare style sheets and a Code outline for review by WRT and City staff. DSTP will conduct meetings with WRT and City staff. Topics addressed will include the structure, content and format of the Code, the schedule for coordination with the Plan and EIR, and the method by which it would be adopted.

DSTP often also prepares Design Guidelines that are coordinated and integrated with but distinct from the Code, addressing topics that are better addressed with parameters and clear intentions rather than hard numerical standards. Decisions regarding which topics would be so addressed, and

UFS.



MEMORANDUM

in what degree of detail will be important in this task. This should be presented to the DCTF only at a high level, not in detail for their input. Keeping the standard/guideline distinction clear is also helpful in meeting new State requirements for Objective Design Standards.

As the DCTF has shown interest in a Sign Ordinance for Downtown, we propose that such standards and guidelines be included in the Code, as is our standard practice (see the attached Claremont Code). Rather than incorporating sign standards and guidelines for Downtown into the City's existing sign ordinance, we recommend that succinct language be added to the existing ordinance which states that the Downtown Code supersedes any City-wide standards for properties within the Downtown Plan Area.

We strongly recommend that Task 1.1 – and also Task 1.2 if possible – be completed prior to, or concurrently with, the finalization of the Project Description for the EIR, for reasons described in the Rationale for Concurrent Plan and Code Preparation section below.

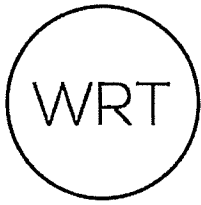
1.1d - Scope Confirmation / Adjustments: Based on direction confirmed in Tasks 1.1b and 1.1c, DSTP, WRT and City Staff would agree upon any necessary adjustments to the overall scope, schedule, and budget, which would be finalized (as/if needed) by an amendment to this proposed scope and fee.

Task 1.2: Code Preparation & Adoption

1.2a - Administrative Draft Code Preparation: Based on the confirmed vision and form parameters from Task 1, and decisions regarding code structure and format and method of adoption in Task 1.1, DSTP will prepare a first administrative Draft Code. DSTP will be in close touch with WRT and City staff as we prepare and calibrate the Draft Code, and will submit it to WRT and City staff concurrently. DSTP will make revisions as requested by WRT and the City based on their review. The Draft Code can also be presented to the DCTF, but we recommend they not be asked to provide detailed comments on the techniques of the Code.

After City staff have had the chance to review the Draft Code in detail, we recommend a working session of 2 or 3 hours in which we can engage a number of staff to review the process by which projects will be evaluated in relation to the Code.

VKS.



MEMORANDUM

At a time agreed upon with City staff, WRT and the DCTF, STP will prepare for and help to lead a community workshop in which the intent, structure and standards of the Draft Code will be presented for questions and comments and community input. The PowerPoint presentation prepared for this workshop will weave together the community vision and preferred alternative as documented in the ongoing Precise Plan process, and focus on how the Code will help to ensure that new private development and public realm improvements are well-coordinated, designed and calibrated to deliver that vision, one project at a time.

We suggest that this Workshop might also be, perhaps, a Planning Commission Study Session, perhaps jointly with the DCTF and/or City Council rather than simply a community workshop. Such sessions can be more effective if chaired by the Mayor or Planning Commission Chair rather than led only by City staff and consultants. STP attendance at the workshop is expected to be virtual rather than in-person.

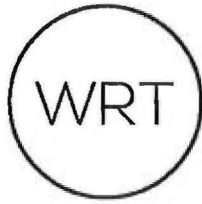
1.2b - Public Review Draft Code Preparation: Based on the comments received from WRT and City staff, DSTP will refine and complete the Draft Code, so that it may be available for public review concurrently with the Precise Plan and EIR. We will deliver a "Screencheck Draft" to WRT and City staff and make minor refinements or corrections prior to its release for public review.

If requested, the Team will participate in a Planning Commission workshop or joint Commission/Council study session to present the Code and answer questions. DSTP will then make a final round of refinements to the Code based on public and decision-maker input and City staff direction.

At a time agreed upon with City staff, WRT and the DCTF, STP will prepare for and help to lead a community workshop in which the Public Review Draft Code will be presented for questions and comments and community input. We suggest that a joint study session of the City Council and Planning Commission could be a good format for this Workshop. STP attendance at the workshop is expected to be virtual rather than in-person.

1.2c - Code Adoption: The Team will participate in one Planning Commission and one City Council hearing to assist City staff in presenting the Plan and Code. DSTP will make final minor revisions to the Code in response to comments and deliver the final document in PDF format – a high-resolution file for double-sided color printing and a hyperlinked web-ready file of the spreads.

UFS.



MEMORANDUM

If the City determines to adopt the new zones (we anticipate one to three zones, depending on decisions reached in Task 2) within the Santa Clara Municipal Code (SCMC) it is likely that some City staff time will be required to complete the integration of procedures and general standards with other section of the SCMC.

Potential Reimbursable Expenses

Due to the uncertainty of travel during this time, we assume that attendance at meetings and workshops will be virtual rather than in-person. As/if travel protocols change during the course of this work, and physical attendance is requested, we provide an estimated cost-per-trip (for travel and lodging) which are not included in the base budget.

Proposed Professional Fees

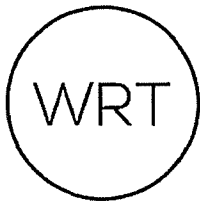
We propose to provide the services outlined above on a time and materials basis, per the estimates shown on the attached spreadsheet. We will not exceed those fees without providing the City with advance notice in writing of the potential for additional time and fees, and an explanation of the reasons such appear likely. The time required for preparation of the Code is quite predictable based on our extensive experience, but the time required for meetings with City staff, the DCTF and others is much less predictable. And it has been our observation to date that the ratio of meeting time to plan preparation in this situation is quite high. Our fee proposal is intended as a "realistic/efficient" process projection, not a "worst case" estimate.

More could be provided if necessary and public health conditions permitting, at an additional cost. We will bill such expenses at our actual cost with no administrative markup.

Rationale for Concurrent Plan and Code Preparation

DSTP strongly recommends that the Code be prepared concurrently with the completion of the Plan. To do otherwise, based on many years of experience in this area, would be at the least to miss an opportunity, and could also add significantly to the time and cost while significantly reducing the quality of the documents and confusing City staff, DCTF, and the public.

ufs.



MEMORANDUM

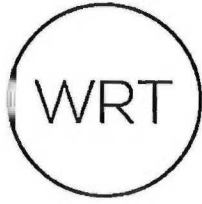
Listed below are the top few advantages of preparing the Plan and Code concurrently, iteratively, and collaboratively.

Support the Precise Plan Completion: The process of breaking down the "vision" that we have been sneaking up on for so long into a system (a.k.a., Plan and Code) could be greatly helped by helping the City and DCTF in thinking of the Plan as a "kit of parts" from which the once and future downtown should be made. And those "parts" are of course typological – building/massing types, street types, frontage types, use types, parking configurations, etc. – not "predesigned buildings." That is what making a code is all about. We always describe the process as "reverse engineering the vision into a kit of parts, and a process for assembling them into a place." That is what needs to be done, now, even just to finish clarifying the vision for the Plan, and might as well also be used to establish the Code also.

Support Predictability and Cohesion: The process of making a code compels all parties to consider the options, and to make choices that rule certain things in, rule certain things out, and clarify the range of potential outcomes within which they'd be happy, and outside of which they would not be. Most general and many specific plans in California have for far too long stopped at the fuzzy "vision" level, which then leaves it up to each person's own imagination what those nice words might mean – "neighborhood scale", "sustainable", "high quality design", etc. (Except for the things that can be easily quantified, like building height, setbacks, FAR, DUA, see below.) So then in some later discretionary review process, whoever happens to be the director or on the Planning Commission or City Council makes decisions based on what those words mean to them at that time in that context. The result is a very unpredictable process that discourages highly qualified developers, adds time and cost to the process, and yields inconsistent results, such that two buildings which were each deemed "ok, let's approve it" next door to one another just look odd next to one another.

Avoid "Planning Fatigue": The precise plan process has been underway for a long time already. If it were brought to a conclusion without the Code, the process of gaining consensus on the Code would seem to most like déjà vu all over again. All the same topics would be re-covered, bringing up all the same concerns, requiring all the same decisions to be made, and leading to a lot more DCTF meetings rehashing the same things and perhaps second-guessing some, leading to amendments to the new Plan.

JKS

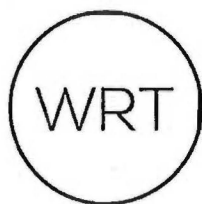


MEMORANDUM

Avoid Conflicting Metrics/Environmental Analyses: As I mentioned to Jim – and to Manuel and Andrew as well when they wanted to speak with me – regulation by building form is not the same thing as regulating by FAR and DUA. And as is so clear from all the DCTF discussions to date, what the committee is most concerned about – and appropriately so – is the form and character of the blocks, buildings, and streets. The form-based code is a tool that operates directly on what they care about the most. FAR and DUA are very useful metrics at the general plan level, or even at a large specific plan level for CEQA analysis. But at the scale of the building and the block they are worse than useless. For instance:

- A 4 and 5-story mixed-use project on a 2-acre site (a 300 x 300 foot block) might yield 150,000 gross square feet of habitable building area. That would be an FAR of about 1.7.
- If the ground floor (which would be smaller in usable area than upper floors due to parking) were 15,000. S.f., the non-residential FAR would be 0.10. And if the remaining 135,000 s.f. were housing, and the average gross square feet per dwelling were 1,000 s.f. parked at 1.75 spaces per unit that would be 135 units with 236 parking spaces and 67.5 DUA.
- If the exact same building and parking were organized with smaller units at 700 g.s.f. per unit, that would be 193 units parked at a ratio of 1.22 spaces per unit, and 96.5 DUA.
- It would be reasonable to anticipate that the number of residents in the smaller unit scenario would be about the same in both cases, with the same number of cars. And very likely LESS traffic generated, as the smaller units with less parking per unit would tend to attract a demographic more interested in using transit and active transportation and enjoying a pedestrian-oriented urban lifestyle.
- In our plans and codes we do NOT regulate by DUA. The EIR project descriptions are based on well-reasoned assumptions regarding average DUA and numbers of units. The Plans sometimes stipulate a cap on total units in the district – which if exceeded at some point might require further CEQA review – but the standards do not regulate by DUA per building or per block. They regulate by building size, scale, massing, form, use, and frontage, which is what we've been discussing with the DCTF for so long.
- The specific intention of a Plan for a downtown is to "pack as much development as possible into a compact area without making a mess." Whereas all the plans they have made for decades intend to spread development out to avoid localized "congestion", under the suburban/CEQA assumption that "the solution to pollution is dilution".

JFS.



MEMORANDUM

Regulation by DUA is very good at that, and that is what has sprawled cities out over the region and is killing the planet.

Of course, we know that you understand these metrics and principles as well as or better than we do, and we're focusing here on the linkage between these metrics as they may be present in the Plan and the EIR, and the development standards. Our concern is that if the Precise Plan and EIR were completed ahead of the Code work – regulating "density" by DUA as most suburban cities do – and then we came in suggesting that it be regulated by building mass and volume, it could cause great concern and consume large amounts of time and political capital. And might very well require amending the EIR or arbitrarily limiting DUA, as many people would assume such a change was to let developers "get away with something." If fact, if you limit DUA, what you get is large units, which may or may not foster the housing catering to urbanites who want to use transit and local businesses more and drive less.

Meetings

- Kick-off meeting
- Meetings with DCTF (up to 3)
- Staff working session on Admin Draft Form-based Code
- Planning Commission workshop or joint Planning Commission/City Council study session
- Check-in calls with Staff as needed

All meetings are assumed to take place remotely.

Deliverables:

- Admin Draft Form-based Code
- Screencheck Draft
- Public Review Draft
- Final Form-based Code

Cost: \$118,600



MEMORANDUM

Timeframe: Approximately 7 months

2. PRECISE PLAN FINANCING ANALYSIS

This task will provide the analytic basis for identifying the appropriate financing strategy and implementation tools for the Precise Plan. The key subtasks are described below.

Task 2.1 Infrastructure Needs Analysis

The WRT team will identify the backbone utility and transportation infrastructure plan to accommodate buildout of the Plan Area and associated costs. The analysis will also determine the nexus between infrastructure improvements and planned development in the event that infrastructure improvements address an existing deficiency or new demand from growth outside the plan area. The work will build off the infrastructure program developed in the Precise Plan and will introduce new, more detailed infrastructure needs and cost analysis. The WRT team will interview Public Works and Utility Agency representatives as needed to verify planned capital improvement projects that will be necessary to support development in the plan area.¹

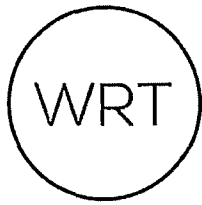
The first step in this task, to be led by WRT, will be to refine the development plan to establish land use mix and density for each block in the Precise Plan area. This may require setting a low and high range by use type to account for land use flexibility. This will serve as the basis for establishing transportation and utility demands. WRT will also refine the conceptual design of planned streets to a level that will allow reasonable cost estimation.

To establish transportation needs, Kimley-Horn will:

- (1) Identify roadway and traffic improvements necessary for the site based on the recommendations of the Precise Plan
- (2) Prepare a cost estimate for each roadway improvement. This will include:

¹ The budget estimate assumes regional utility studies and modeling, utility design, surveying, and plan production are not included in this scope.

JS.



MEMORANDUM

- Estimating the number of AM peak hour, PM peak hour, and daily trips to be generated by the proposed project. A trip distribution and trip assignment for the use will be estimated based on information provided by the City, historical traffic counts in the area.
 - Determining the background volume at intersections and for roadway segments being improved.
- (3) Develop Fair Share calculations for each improvement project identified. This will include:
- Calculating the fair share proportion for the project based on the number of daily vehicle trips that utilize the future intersection. This will be calculated based on the approach specified by the City in their Impact Fee Nexus Study – Fair share % = project trips/(background + project trips).
 - Determining the fair share cost estimate using the fair share percentage by the total project cost.
- (4) Prepare a technical memorandum for preliminary review. The draft memorandum will include text, charts, and figures describing our process, assumptions, and results. The memorandum will specifically detail impacts directly connected with project traffic and recommended improvements, if needed. Based on comments received on the draft memorandum, the memorandum will be revised and a final traffic memorandum will be prepared and submitted.

To establish utility infrastructure needs, CSW/ST2 will:

- (1) Re-engage the City staff to confirm the infrastructure needs beyond the development area. This could require running of computer models related to water and sewer service, which are often managed by third parties.
- (2) Support WRT in developing 10% plans for the public streets which will reflect above and below-ground infrastructure necessary to support the development.
- (3) Based on the plans and improvements required outside the plan area, update the cost analysis.

The task will result in a memo defining projected development by land use type and by block and establishing transportation and infrastructure needs.

JFS



MEMORANDUM

Task 2.2: Analysis of Financing Options and Strategy

EPS will identify and evaluate a variety of funding and financing mechanisms that would be appropriate to fund the required improvement costs and/or defray up-front or advance-funding costs associated with these facilities. EPS will consider currently available sources of funding for capital improvements, though these existing mechanisms are not expected to cover the unique costs of planned downtown improvements. Accordingly, EPS will consider a variety of other Project-specific financing mechanisms that may include the following options:

- Area-specific development impact fees (and related reimbursement agreements).
- Special assessments and taxes (e.g., Mello-Roos Community Facilities Districts).
- Private contributions and exactions.
- Tax increment financing mechanisms (e.g., Enhanced Infrastructure Finance District or Community Revitalization and Investment Authority).

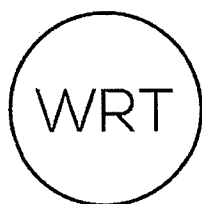
EPS, with the assistance of the WRT team and the City, will select financing mechanisms and strategies for the Precise Plan that are based on financing principles; statutory and legal considerations; and industry standards regarding who typically pays for what, the timing of public improvements relative to private development, commitments regarding the availability of public-sector funding, and other relevant factors.

EPS will prepare a financing strategy that describes the implementation steps required to use existing and to create new proposed financing mechanisms. The financing strategy will specify the financial responsibilities of the public and private participants in implementation of the Plan. The financing strategy will be circulated to City staff and Project participants to ensure their understanding and to obtain their comments and suggestions. EPS will also prepare a Financing Strategy memorandum incorporating one round of consolidated City comments.

This task will culminate in a financing plan that describes the various financial resources and tools needed to pay for infrastructure and amenities. Note that the specific elements of the Financing Plan cannot be known with certainty at this time, but this proposal anticipates that an Area Development Impact Fee is a likely outcome.

Task 2.3: Area Impact Fee Program (Optional, included as Contingency)

JFS.



MEMORANDUM

EPS will prepare the technical documentation necessary for approval of an area development impact fee to cover the "fair share" cost of new infrastructure and public improvements serving the Specific Plan. The "Nexus Report" will be prepared consistent with AB 1600 and related requirements.

EPS will develop a preliminary fee schedule based on the total costs attributable to the Downtown Precise Plan program, based on the cost estimates and cost allocations described above. EPS will net out other likely potential funding sources and include a fee program administrative charges, as appropriate. The fees will be derived by dividing the capital facility costs by the projected development in each land use category. EPS will summarize the fees by improvement type and land use for the City's review. Based on comments received and EPS will finalize the fee schedule for inclusion in the Nexus Report.

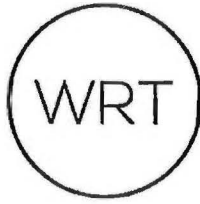
EPS will take primary responsibility for preparing the Development Impact Fee Nexus Report that will document the study assumptions and methodology and establish the required nexus findings consistent with AB 1600 and reporting requirements of Government Code 66000 et. seq. EPS will first provide an administrative draft for review by City staff. Based on one round of comments, EPS will then prepare a Public Review Draft for broader release. Again, based on one round of consolidated public comments and direction from City staff, EPS will prepare a Final Report for presentation to the City Council for approval.

The budget includes representation and participation, as needed, from appropriate EPS team members at two public meetings or presentations, including at City Council approval. Additional meetings and/or report iterations beyond those described herein may require a budget amendment. The proposed budget does not include multiple iterations of the fee analysis or EPS participation in any landowner meetings or negotiation sessions that may be required.

Meetings:

- Up to two meetings with key project stakeholders, including property owners and/or City staff. The goal of these meetings will be to vet the financing strategy and assumptions.

JKS



MEMORANDUM

Deliverables:

- Development Program and Infrastructure Needs Memorandum
- Financing Plan (Draft)
- Financing Plan (Final)

The specific elements of the Financing Plan cannot be known with certainty at this time, but this proposal anticipates that an Area Development Impact Fee is a likely outcome.

Optional Deliverables:

- Development Impact Fee Nexus Report (Admin Draft, Public Review Draft, Final)

Cost: \$103,700, including \$33,600 contingency for Area Development Impact Fee Nexus Study

Timeframe: 4-6 months.

3. DOWNTOWN MANAGEMENT ENTITY

WRT, with support from MJB Consulting and Greensfelder Real Estate Consulting (GRES), will define the role of a management entity to help achieve success for Downtown. The entity's roles may include curating retail, programming public spaces, and marketing. Defining the right approach will include the following subtasks.

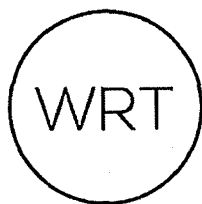
Task 3.1 Stakeholder Interviews and DCTF Meeting

The Team will interview key stakeholders to better understand the capacities, resources, mandates and political dynamics of each, to determine how the new entity would best fit. We will draw on existing findings about market and real estate dynamics.

Task 3.2 Analysis and Recommendations

The Team will craft the foundation for a regulatory rubric with the goal of seeing a diverse array of desired uses (by NAICS code) and desired mix of independent, regional, and national occupiers. The

UFS.



MEMORANDUM

foundation will outline plusses and minuses of suggested approaches, define the Downtown Management Entity and its roles, and discuss implementation process and procedures. Recommendations will also include identification of partners and best practices in event management and marketing.

Task 3.3 Incorporation into Precise Plan

The analysis and recommendations will be incorporated into the Implementation chapter of the Santa Clara Downtown Precise Plan.

Meetings:

- The Team will present findings at one meeting of the DCTF.

Deliverables:

- Stakeholder interviews (remote)
- Presentation to DCTF (remote)
- Memo: Defining the role of a Downtown management entity

Cost: \$21,000

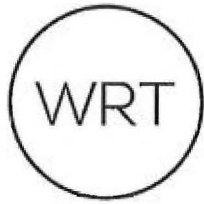
Timeframe: Approximately 2 months

4. PROJECT DESIGN REVIEW

DSTP, supported by WRT, can review current development projects within the Plan Area to help Staff evaluate design consistency with the Plan vision and to make recommendations.

Meetings:

- One meeting with Staff



MEMORANDUM

Deliverables:

- Design review memo

Cost: \$3,900 per project submittal

Timeframe: Ongoing

5. ADDITIONAL DCTF MEETINGS

The Santa Clara Downtown Precise Plan schedule currently has five remaining Task Force meetings, of which the WRT Team is scoped to attend and present at one. WRT and DSTP could be available to facilitate additional meetings of the Task Force, helping to retain a strong link between Task Force discussion and Plan outcomes.

Note: where Task Force meetings are anticipated as part of additional scope items above, they are covered within that task.

Meetings:

- Meeting presentation and attendance (WRT, DSTP)

Deliverables:

- Presentation materials

Cost: \$4,400 per meeting, assuming meeting is virtual and does not require travel or production.

Timeframe: Ongoing

JFS.



MEMORANDUM

ATTACHMENTS

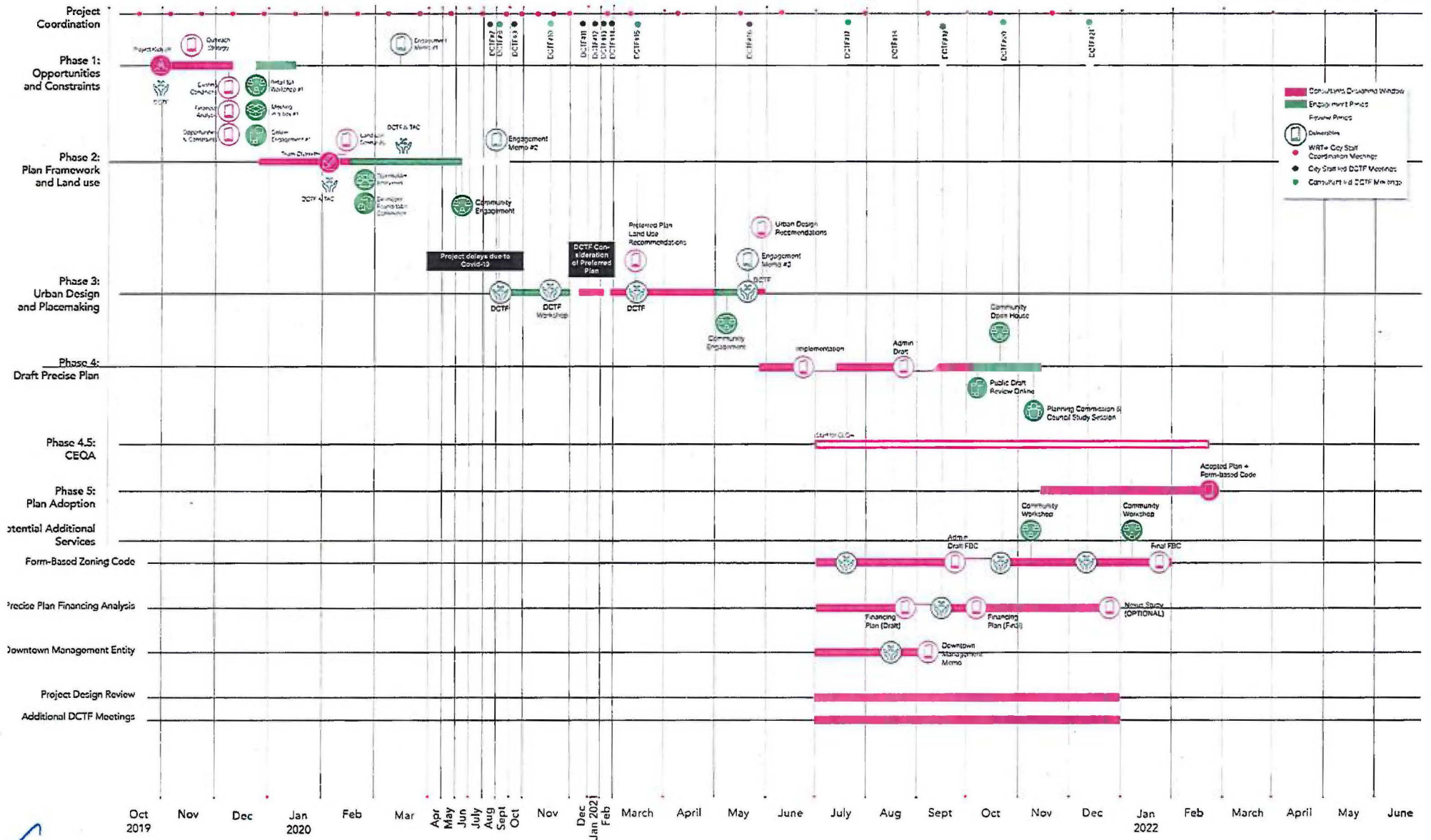
- Budget Spreadsheet
- Project Schedule (Conceptual)

JFS

Santa Clara Downtown Pedestrian Plan
Administrative May 16, 2021

Project Name		Project Location		Project Type		Project Status		Project Budget		Project Timeline		Project Description		Project Details		Project Summary		Project Notes		Project Comments		Project Actions		Project Results		Project Impact		Project Evaluation		Project Feedback		Project Review		Project Approval		Project Sign-off		Project Close		Project Archive		Project Retire		Project Decommission		Project Demolition		Project Relocation		Project Renovation		Project Restoration		Project Rehabilitation		Project Reclamation		Project Remediation		Project Reuse		Project Repurposing		Project Reproduction		Project Replication		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Reproduction		Project Rep	
--------------	--	------------------	--	--------------	--	----------------	--	----------------	--	------------------	--	---------------------	--	-----------------	--	-----------------	--	---------------	--	------------------	--	-----------------	--	-----------------	--	----------------	--	--------------------	--	------------------	--	----------------	--	------------------	--	------------------	--	---------------	--	-----------------	--	----------------	--	----------------------	--	--------------------	--	--------------------	--	--------------------	--	---------------------	--	------------------------	--	---------------------	--	---------------------	--	---------------	--	---------------------	--	----------------------	--	---------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	----------------------	--	-------------	--

WORK PLAN AND ENGAGEMENT STRATEGY (AMENDED MAY 2021 WITH ADDITIONAL SERVICES)



5/15



Agenda Report

21-667

Agenda Date: 5/25/2021

REPORT TO COUNCIL

SUBJECT

Authorize the City Manager to execute an Amendment to the Agreement with Wallace Roberts & Todd, LLC for Downtown Precise Plan Consultant Services pending funding proposed as part of the FY 2021/22 and FY 2022/23 Proposed Operating Budget

COUNCIL PILLAR

Promote and Enhance Economic, Housing and Transportation Development

BACKGROUND

The City of Santa Clara's 2010-2035 General Plan identifies focus areas throughout the City, including the Downtown area, to promote the City's diverse economic base and meet the demand for housing that addresses job growth in the City and region.

In response to the Community's goal of revitalizing the City's historic Downtown area, the City Council approved \$400,000 in the FY 2018/19 and FY 2019/20 Adopted Biennial Capital Improvement Program Budget to support the preparation of a Precise Plan. From this budget, \$90,000 was spent on a non-refundable deposit for an option on the acquisition of the Franklin Street Right-of-Way easement. Working closely with a community Task Force, including organizations such as Reclaiming Our Downtown and the Old Quad Resident's Association, the City commenced preparation of the Precise Plan that will provide guidance for new development within the Downtown area through policies, guidelines, and illustrations that implement the community vision and objectives for a vibrant, pedestrian-oriented destination. As part of this effort, the City engaged a consultant to assist in the preparation of the Precise Plan.

In February 2019, the City issued a Request for Qualifications (RFQ) for Downtown Precise Plan Consultant Services, using the City's e-procurement system. On October 8, 2019, the City Council authorized the City Manager to execute an agreement with Wallace Roberts & Todd, LLC (WRT) to provide Downtown Precise Plan Consultant Services for an initial three-year term ending September 30, 2022 (with an option to extend the Agreement for an additional three-year term through September 30, 2025), for a maximum compensation not to exceed \$578,346, subject to the annual appropriation of funds. As part of Council action, additional funding of \$268,346 was also approved to fully fund the agreement.

The agreement is fixed price with payments tied to the successful completion of the milestones listed in the table below. The cost elements include the tasks from the scope of work that were identified in the RFQ, as well as the optional tasks identified by the Consultant in their RFQ response.

COST ELEMENTS:	
Project Initiation	\$67,025
Issue Identification and Vision	\$58,270
Financial Analysis	\$31,260
Development Scenarios/Conceptual Plans	\$74,740
Workshops	\$22,121
Draft Precise Plan Chapter Development	\$68,380
Public Services and Implementation	\$10,520
Draft Precise Plan Refinement	\$12,880
CEQA Clearance	\$72,880
Planning Commission & City Council Public Hearings	\$20,000
Reimbursable Expenses	\$14,295
Services Subtotal	\$452,371
Optional Services (<i>Consultant Team Charette; Phase 1 Environmental Assessment; Environmental Impact Report; Stakeholder, Developer, and DCTF Added Meetings; Financial Feasibility of Land Use Options; Context Study; Financial Memo Addendum to Existing Conditions Report</i>)	\$125,975
GRAND TOTAL	\$578,346

Work to date has focused on preparation of the Precise Plan's preferred land use plan placemaking and urban design. Upcoming key tasks in the Precise Plan process include developing the draft chapters of the Precise Plan and preparation of the environmental clearance for the Precise Plan.

DISCUSSION

The Downtown Community Task Force (DCTF) was approved by the City Council, and is an advisory, non-voting body that meets over the course of the Downtown Precise Plan planning process to provide input on the vision, land use, circulation, and urban design aspects of the Plan, as well as key policy issues. The DCTF has met 17 times since the start of the planning process in December 2018.

At the April 6, 2021 City Council meeting, the Chair and Vice Chair of the DCTF provided an update on the progress of the Precise Plan Work to date and requested that Council seek an amendment to the Consultant scope of work for the Precise Plan to add services. The DCTF has been pro-actively contemplating the next steps towards implementation of the Precise Plan with the goal of making sure that those steps lead to the best possible outcomes for a successful downtown. As the DCTF looks towards implementation, they requested the following services be added to the scope of work for the Precise Plan. The Consultant has provided a description and scope for each of these tasks in the attached "DCTF-Requested Additional Services Memorandum".

- Form-Based Zoning Code - prepare a form-based zoning code for the Plan area to be adopted as a part of the City's Municipal Code.
- Downtown Sign Ordinance - prepare a sign ordinance to be adopted as a part of the City's Municipal Code to establish the criteria for future developers and tenants to develop and implement exterior building signage.
- Development Impact Fee - prepare the technical documentation necessary for approval of an area development impact fee to cover the "fair share" cost of new infrastructure and public improvements serving the Precise Plan area.
- Downtown Management Entity - Define the role of a Downtown management entity including its role, among other things, programming/curating uses.
- Additional Downtown Community Task Force (DCTF) meetings with the Consultant Team - Facilitate two additional meetings of the Task Force, helping to retain a strong link between Task Force discussion and Plan outcomes. The consultant would also support the review of any current development projects within the Plan Area to evaluate design consistency with the Plan vision and to make recommendations.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

FISCAL IMPACT

Funding for the existing agreement with Wallace Roberts & Todd, LLC for Downtown Precise Plan in the amount of \$578,346 was previously budgeted in the Downtown Master Plan project (#6559) in the General Government Capital Fund. These funds have been spent or encumbered for this project.

An amendment to the agreement is requested to provide additional services as discussed above. Funding of \$300,000 is requested to cover the additional services estimated at \$251,600 as well as contingency funds that would cover any unforeseen added DCTF meetings, community outreach, or additional analysis. The FY 2021/22 and FY 2022/23 Proposed Operating Budget includes a FY 2021/22 capital project amendment to add funding of \$300,000 for this additional work from the General Fund Capital Projects Reserve to cover the total cost of the amendment to the Agreement. The Proposed Budget scheduled for adoption on June 22, 2021.

COORDINATION

This report has been coordinated with the Finance Department and the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a

Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>>

RECOMMENDATION

1. Authorize the City Manager to execute and amend the agreement with Wallace Roberts & Todd, LLC to provide added Downtown Precise Plan Consultant Services, subject to modifications as agreed to by the City Manager in coordination with the City Attorney; increase the maximum compensation not to exceed amount by \$300,000 (from \$578,346 to \$878,346), subject to the annual appropriation of funds; and
2. Authorize the City Manager to execute an amendment to increase maximum compensation in the event that additional services are required, subject to the annual appropriation of funds.

Reviewed by: Andrew Crabtree, Director of Community Development

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. DCTF-Requested Additional Services Memorandum

**AMENDMENT NO. 2
TO THE AGREEMENT FOR SERVICES
BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA,
AND
WALLACE ROBERTS & TODD, LLC**

PREAMBLE

This agreement ("Amendment No. 2") is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and Wallace Roberts & Todd, LLC, a Delaware Corporation (Consultant). City and Consultant may be referred to (Contractor). City and Consultant may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

- A. The Parties previously entered into an agreement entitled "Agreement for Services Between the City of Santa Clara, California, and Wallace, Roberts & Todd, LLC," dated October 17, 2019 (Agreement); and
- B. The Agreement was previously amended by Amendment No. 1, October 21, 2021, and is again amended by this Amendment No. 2. The Agreement and all previous amendments are collectively referred to herein as the "Agreement as Amended"; and
- C. The Parties entered into the Agreement as Amended for the purpose of having Contractor provide prepare a Downtown Precise Plan, and the Parties now wish to amend the Agreement to expand the scope of services and corresponding maximum compensation.

NOW, THEREFORE, the Parties agree as follows:

AMENDMENT TERMS AND CONDITIONS

- 1. Section 6 of the Agreement, entitled "Compensation and Payment," is amended to reflect a revised maximum compensation value of nine hundred seventy-eight thousand, three hundred forty-six dollars (\$978,346).
- 2. Exhibit A of the Agreement, entitled "Scope of Services," is hereby appended by the attached "Second Addendum to Scope of Services."

3. Exhibit B of the Agreement, entitled "Schedule of Fees," is amended to reflect a revised maximum compensation value of nine hundred seventy-eight thousand, three hundred forty-six dollars (\$978,346).
4. Except as set forth herein, all other terms and conditions of the Agreement as Amended shall remain in full force and effect. In case of a conflict in the terms of the Agreement as Amended and this Amendment No. 2, the provisions of this Amendment No. 2 shall control.

The Parties acknowledge and accept the terms and conditions of this Amendment No. 2 as evidenced by the following signatures of their duly authorized representatives.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form:

Alexander Abbe Digitally signed by Alexander Abbe
Date: 2021.12.03 09:28:57 -08'00'

Office of the City Attorney
City of Santa Clara

Dated: 12/13/2021


DEANNA J. SANTANA
City Manager
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

"CITY"

WALLACE ROBERTS & TODD, LLC
a Delaware Corporation

Dated: 11.02.21
By (Signature): 
Name: James Stickley
Title: Principal
Principal Place of Business Address: 478 Tehama Street, Suite 2B
San Francisco, CA 94103
Email Address: jstickley@wrtddesign.com
Telephone: (415) 575-4722
Fax: (215) 732-2551

"CONSULTANT"

I:\PLANNING\Admin\Contracts\WRT\Amendment No 2\Amendment No. 2 WRT 10-2021.doc

Second Addendum to Scope of Services

The following tasks are now added to the Scope of Services:

Task	Fee
1 Additional DCTF meetings	\$25,480
2 Consultant Team Charette	\$25,000
3 Stakeholder Added Meetings	\$4,600
4 Financial Feasibility of Land Use Options based on iterative design process	\$15,000
5 Context Study	\$10,000
6 Financial Memo Addendum to Existing Conditions Report	\$5,000
Total:	\$85,080

An additional \$14,920 is being included in the contractual maximum compensation as a contingency to cover any unforeseen added Downtown community Task Force (DCTF) meetings, community outreach, or additional analysis. Use of this contingency shall be approved in writing by the City of Santa Clara's project manager prior to commencement of work.

In no event shall the maximum compensation under this contract for any and all services exceed nine hundred seventy-eight thousand, three hundred forty-six dollars (\$978,346), subject to annual budget appropriations.

**AMENDMENT NO. 3
TO THE AGREEMENT FOR SERVICES
BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA,
AND
WALLACE ROBERTS & TODD, LLC**

PREAMBLE

This agreement ("Amendment No. 3") is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and Wallace Roberts & Todd, LLC, a Delaware Corporation (Consultant). City and Consultant may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

- A. The Parties previously entered into an agreement entitled "Agreement for Services Between the City of Santa Clara, California, and Wallace, Roberts & Todd, LLC," dated October 17, 2019 (Agreement); and
- B. The Agreement was previously amended by Amendment No. 1, dated October 21, 2021, Amendment No. 2, dated December 13, 2021, and is again amended by this Amendment No. 3. The Agreement and all previous amendments are collectively referred to herein as the "Agreement as Amended"; and
- C. The Parties entered into the Agreement as Amended for the purpose of having Consultant provide prepare a Downtown Precise Plan, and the Parties now wish to amend the Agreement to expand the scope of services to include a conceptual land use and economic analysis.

NOW, THEREFORE, the Parties agree as follows:

AMENDMENT TERMS AND CONDITIONS

- 1. Section 2 of the Agreement, entitled "Term of Agreement," is amended to reflect a revised termination date of December 31, 2024.
- 2. Section 6 of the Agreement, entitled "Compensation and Payment," is amended to reflect a revised maximum compensation value of one million three hundred thirty-one thousand, seven hundred six dollars (\$1,331,706).
- 3. Exhibit A of the Agreement, entitled "Scope of Services," is updated by appending the attached "Third Addendum to Scope of Services" to add new tasks to the original scope.

4. Exhibit B of the Agreement, entitled "Schedule of Fees," is amended to reflect a revised maximum compensation value of one million three hundred thirty-one thousand, seven hundred six dollars (\$1,331,706).
5. Except as set forth herein, all other terms and conditions of the Agreement as Amended shall remain in full force and effect. In case of a conflict in the terms of the Agreement as Amended and this Amendment No. 3, the provisions of this Amendment No. 3 shall control.

The Parties acknowledge and accept the terms and conditions of this Amendment No. 3 as evidenced by the following signatures of their duly authorized representatives.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form:

Dated: _____

Office of the City Attorney
City of Santa Clara

Rajeev Batra
City Manager
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

"CITY"

WALLACE ROBERTS & TODD, LLC

a Delaware Corporation

Dated: _____

By (Signature): _____

Name: James Stickley

Title: Principal

Principal Place of Business Address: 478 Tehama Street, Suite 2B
San Francisco, CA 94103

Email Address: jstickley@wrtdesign.com

Telephone: (415) 575-4722

Fax: (215) 732-2551

"CONSULTANT"

I:\PLANNING\Admin\Contracts\WRT\Amendment No 3\Amendment No. 3 Integrated with Moot 4.doc

Third Addendum to Scope of Services

The following tasks are to be included as additional services. A detailed description of these tasks is included in the attached proposal, entitled "Civic Center Relocation Study" dated September 8, 2022.

Task	Fee
1 Project Initiation and Management	\$23,090
2 Program Confirmation	\$17,030
3 Economic Assessment	\$33,470
4 Criteria and Site Comparison	\$25,970
5 Concept Development and Test-Fitting	\$81,800
6 Financial Evaluation	\$123,810
7 Additional Concept Refinement	\$23,000
8 Final Options Report	\$18,360
Expenses	\$6,830
Total:	\$353,360

In no event shall the maximum compensation under this Agreement as Amended for any and all services exceed one million three hundred thirty-one thousand, seven hundred six dollars (\$1,331,706), subject to annual budget appropriations.



MEMORANDUM

To: Lesley Xavier
Principal Planner, City of Santa
Clara
Via email

Date: September 8, 2022
From: Peter Winch
Project Manager, WRT
Ref. No.: 08334.02
Project: Civic Center Relocation Study
Re: WRT Team Proposal

CC: Jim Stickley
Principal, WRT

Dear Lesley,

The WRT Team is drafting a Downtown Precise Plan that reflects extensive analysis and community and DCTF feedback. The Task Force and City Staff have requested that WRT provide a scope of work and fee for studying how a relocated City Hall and associated office space could fit downtown, and how it could be financed. This memo responds to that request.

In this effort, WRT would be joined by **Siegel and Strain Architects**, bringing understanding of space needs for a city hall, and team members **CSW|ST2** and **TBD Consulting** with expertise in estimating civil and structural construction costs, respectively. On the economic side, **EPS**, our partner on the Downtown Precise Plan, would conduct case study analysis, while **Project Finance Advisory Ltd. (PFAL)** will provide specific expertise in public facility financing. **Runde & Partners, Inc.** joins our team to provide property appraisal services.

The total Consultant fee for these proposed tasks is \$353,030, and we anticipate a 6-month schedule. Runde & Partners has requested a \$10,000 retainer to begin work. This would need to be provided by the City.

Summary and detail fee tables and proposed schedule follow the proposed scope of work. We look forward to working with Staff and City leaders to refine this scope of work as needed.



MEMORANDUM

Santa Clara Civic Center Relocation Study: Scope and Fee

Task 1: Project Initiation and Management

The WRT Team will have a kickoff meeting with City Staff and confirm scope, schedule, and City objectives. The Team will conduct targeted background research and mapping needed to understand the existing Civic Center site and previous studies, and to establish base maps for the Relocation Study. This task also covers ongoing project management.

Meetings:

- Kick-off meeting
- Project management calls with Staff as needed

Deliverables:

- Project Schedule and Work Plan (periodically updated)
- Base Maps for Existing Civic Center and Downtown
- Base Model for Downtown (as developed for Downtown Precise Plan)

Timeframe: Approximately 6 months

Task 2: Program Confirmation

WRT, Siegel & Strain and PFAL will conduct an initial work session to review available City hall/civic center program documentation, relevant previous studies, and the Downtown Santa Clara Precise Plan and Form-based Code (drafts). The Team will confirm the desired relocation program with the City, which may include conducting stakeholder interviews.

S&S will review provided documentation related to projected civic center spatial needs and document a high-level spatial program organized by department according to data provided.

PFAL will review the architect's high-level spatial program.

Note: Required effort will be dependent on available documentation and expectation level.

Meetings:

- Meeting with City Staff (1)



MEMORANDUM

- Team meetings as needed

Deliverables:

- Base spatial program definition

Timeframe: 1 month

Task 3: Economic Assessment

Beginning concurrently with the program confirmation, EPS will assist with analysis of the economic impact of locating the Santa Clara City Hall in the downtown area, as follows.

Case Studies

In coordination with WRT, EPS will identify up to six examples of City Hall relocation projects across the United States to serve as case studies. The Team will seek examples (successful and otherwise) that are comparable to Santa Clara and/or the downtown site in one way or another (e.g., similar City population; site adjacency to transit, university, or historic neighborhood). We will seek case studies with a range of outcomes, including examples with more and less resulting investment. For each case study, EPS will conduct research to understand each city hall project based on City documents, hearing transcripts, media reporting, and other readily available sources. EPS will also contact each city to seek an interview with staff about the project, including benefits, challenges, and lessons learned, etc. EPS will report on outcomes, including the degree to which private investment has followed public investment.

Economic Impact Analysis

EPS will complete an illustrative economic impact analysis that considers potential localized spending effects on downtown from a new City Hall, as compared to the baseline site use (a comparably sized future office building). EPS will rely on WRT to identify the City Hall program and alternative. The analysis will quantify employment and visitation estimates, identify likely retail spending patterns and estimated sales tax revenues, and compare likely spending across development alternatives. Given the localized nature of the analysis, EPS will focus on direct spending in the downtown.

Meetings:

- Meeting with City Staff
- DCTF Meeting (1)
- Team meetings as needed



MEMORANDUM

Deliverables:

- Presentation on case study analysis and economic impact analysis
- Memorandum on economic impact analysis of potential City hall relocation

Timeframe: 1.5 months

Task 4: Criteria and Site Comparison

WRT, Siegel & Strain, and PFAL will conduct a criteria-based process for evaluating potential Downtown sites for a relocated City Hall. Our process will consider a range of factors that relate to program, site characteristics, and finance. These factors may include:

- Land ownership and encumbrance
- Site size and dimensions; program fit
- Contribution to downtown experience
- Transit access
- Enabling of multiple benefits
- Readiness for development/simplicity
- Surplus Land Act conditions
- Available financing tools
- Partners

The team will become grounded in an understanding of the Downtown district and the Precise Plan, through material review and a site visit. In a team working session we will confirm criteria, confirm up to 3 downtown sites that merit evaluation, and make initial qualitative findings for each criterion. These will be more thoroughly detailed by each member of the team, depending on expertise, and presented in a simple format in one meeting each to City Staff and the Task Force. The outcome of this process will be the creation of a qualitative evaluation matrix followed by City Staff and Task Force confirmation of a preferred downtown site for a relocated City Hall.

Meetings:

- Meeting with City Staff
- DCTF Meeting (1)
- Team meetings as needed

Deliverables:

- Evaluation matrix with criteria
- Presentation on criteria and site comparison



MEMORANDUM

Timeframe: 1 month

Task 5: Concept Development and Test-Fitting

WRT and Siegel & Strain, with critical input from PFAL, will collaborate to develop up to three conceptual approaches to relocating city hall downtown to the preferred downtown site. Approaches are expected to be:

- Full relocation (City Hall and SVP);
- Partial relocation (City Hall only);
- Mixed-use (including private development), with full or partial relocation.

In terms of responsibilities:

- WRT will focus on urban design considerations.
- S&S will focus on organizing departments relative to one another based on overall area and adjacency requirements.
- PFAL will consider land use layout options with a view to enabling access to preferential funding and financing strategies.

WRT will also consider future land use concepts for the existing Civic Center site. This would begin at a high level, assigning site area to different land uses and recognizing potentially viable and beneficial future uses of the site.

Preliminary concepts for both sites will be shared with the larger Consultant team to understand cost, economic impact, and financing perspectives, and with City Staff for review and discussion.

Based on feedback, Siegel & Strain will develop draft diagrams for each downtown relocation concept. These will be reviewed in a second work session with WRT and PFAL, which will also cover general building parameters and assumptions such as construction type, sustainability goals, and related information to inform construction cost estimates.

Siegel & Strain will modify spatial diagrams as needed, prepare a narrative summary of building block organization and building assumptions for cost estimates. For the existing civic center site, WRT will estimate development capacity based on density formulas and informed by typical building forms. This will inform the economic evaluation of potential relocation.

WRT and Siegel & Strain will prepare a presentation to review the concepts with the Downtown Community Task Force (DCTF).



MEMORANDUM

Meetings:

- Meeting with City Staff (1)
- DCTF Meeting (1)
- Team work sessions and meeting (2 or as needed)

Deliverables:

- Presentation on Downtown site and building concepts, Civic Center concepts, and opportunities and challenges for each

Timeframe: 1.5 months

Task 6: Financial Evaluation

Project Finance Advisory, Ltd. (PFAL) will perform a financial analysis to assess the concepts for relocating City Hall and offices to a revisioned downtown. This work will include:

- Reviewing the team's assessment of the cost/benefits of relocating to a downtown location and reviewing expected revenue;
- Providing input into and review of initial concepts for alternative uses of the existing City Hall site, incorporating appraisals of existing Civic Center site and potential future City Hall development site
- Considering financing and delivery options, including the possibility of a public/private partnership, property disposal, and USDOT debt
- Incorporating the cost estimates provided by the WRT Team and providing benchmarked lifecycle cost indications for a new facility for up to 3 sites
- Reviewing background information, including the example sites mentioned by the DCTF and identifying salient characteristics relevant to Santa Clara's objectives
- Participating in one meeting with the Downtown Task Force and 3 additional meetings with the advisory team and City; meeting prep and presentation content
- Draft and Final Report and Presentation
- Quality control and assurance
- Task Management, Coordination, and Administration (internal coordination calls with advisor team, client calls, invoicing, etc.)

The financial analysis will incorporate critical inputs from TBD Consulting, CSW/ST2, and Runde & Partners, as described below.

Construction Cost Estimate



MEMORANDUM

TBD Consulting will prepare a construction cost estimate for a new Civic Center based on the concepts defined in Task 4 This would include:

- One draft round of pricing + one revision round per comments and program/massing changes.
- Pricing to be order of magnitude ranges for each building containing Civic Center program.
- Excludes detail estimate backup or cost breakdowns per building system.
- Estimate to include demo and site improvements at existing Civic Center locations.
- Construction pricing to be based on prevailing wage.
- Construction phasing can be considered if applicable.
- Estimate effort can support up to 3 different massing schemes.

The estimate will identify the total cost of construction based on the quantities or allowances with composite unit rates where applicable reflecting the scope of work and the current market conditions. Pricing shall incorporate appropriate general contractor markups and escalation into cost ranges. The estimate will utilize TBD's standard Order of Magnitude format. We will not obtain any bids or opinions of cost from subcontractors unless the work is of such a unique nature that no other cost information is available. WRT and their consultants shall provide program and massing diagrams for our use. We understand that reconciliation of estimates with other cost opinions will not be required. We have also excluded time for value engineering, value analysis, other cost studies, estimating soft costs, and design & estimating 'churning' to reach a specific budget.

Siegel & Strain will field questions from estimator (to make sure his assumptions are correct) and to review a draft of the estimate.

Infrastructure Cost Estimate

CSW/ST2 will review the concepts and support the team in developing a construction cost analysis focused on civil engineering costs. Since public funds will be involved in construction, the costs will need to include prevailing wage rates. We will provide up to three estimates for the improvements.

Appraisals

The sites to be appraised include the portion of the existing Civic Center property that would be redeveloped if City Hall and related office functions were to be relocated. The appraisal would also address the fee simple market value of two to three potential relocation sites in the downtown area to be identified at a later date. These sites are to be located within the 10-square-block area between Lafayette Street, Madison Street, Benton Street, and Homestead Road. The area is in the process of a re-zoning that will intensify the



MEMORANDUM

development density in the area. Our appraisal would address the as-is value of each site at its highest and best use, once the permitted use(s) and density (FAR/height limit/dwelling unit density) have been determined. For existing public land, the requirements of the Surplus Land Act will be taken into account in determining realistic highest and best use. The intended use of this appraisal report is for assistance with a financial analysis of the costs and benefits of relocating City Hall to the downtown area. The report is to be used for planning and advisory purposes, not for financing or acquisition purposes. The intended user is Peter Winch/WRT and the City of Santa Clara and the report should not be used or relied upon by any other person or entity for any reason.

As-Needed Project Support

EPS is available to provide WRT support concerning various economic and financial aspects of the City Hall relocation study. The firm's expertise spans real estate, economic and fiscal impact analysis, public finance, and public policy practice areas. This proposal includes 40 hours EPS Principal-level time that may be used by WRT on an as-needed basis for project support.

Meetings:

- Meetings with City Staff
- DCTF Meeting (1)

Deliverables:

- Presentation on estimated costs associated with up to 3 relocation concepts, and funding options for each
- Memorandum

Timeframe: 1.5 months

Task 7: Additional Concept Refinement

Based on City and DCTF feedback, and informed by the financial analysis, WRT and Siegel & Strain will refine land use and building block concepts for Downtown and the existing Civic Center site. The refined concepts will be reviewed with City Staff, and brought to the DCTF. We anticipate one Task Force meeting that will cover both the financial analysis and the refined concepts.

Meetings:



MEMORANDUM

- Meeting with City Staff
- DCTF Meeting (1)

Deliverables:

- Presentation on refined site and building concepts, relocation recommendations, and financing strategy

Timeframe: 1 month

Task 8: Final Options Report and Council Presentation

WRT will document the final site concepts and economic analysis in a concise report, with narrative, graphics, and relevant tables. Other project deliverables may be included as appendices. Following a preparatory session with City Staff, WRT will present the final report findings to City Council.

Meetings:

- Meeting with City Staff
- City Council Meeting (1)

Deliverables:

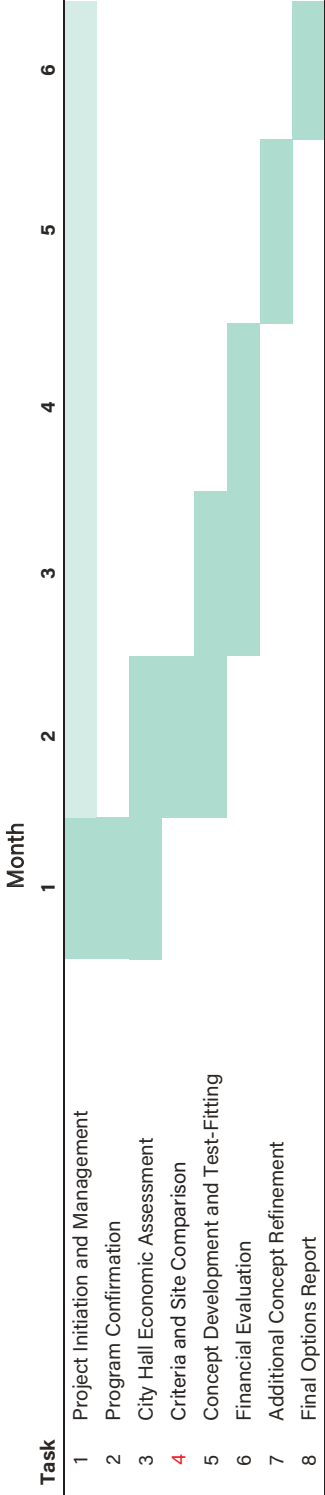
- Final Options Report

Timeframe: 1 month

Santa Clara Downtown Precise Plan | Civic Center Relocation Study, September 8, 2022
Fee Summary

Task	WRT	Siegel & Strain	EPS	PFAL	Runde & Partners	CSW/ST2	TBD Consulting	Team Fee
1 Project Initiation and Management	\$ 10,410	\$ 3,140	\$ 1,140	\$ 8,400	-	\$ -	\$ -	\$ 23,090
2 Program Confirmation	\$ 3,710	\$ 10,520	-	\$ 2,800	-	\$ -	\$ -	\$ 17,030
3 City Hall Economic Assessment	\$ 9,040	-	\$ 16,030	\$ 8,400	-	\$ -	\$ -	\$ 33,470
4 Criteria and Site Comparison	\$ 12,620	\$ 9,150	-	\$ 4,200	-	\$ -	\$ -	\$ 25,970
5 Concept Development and Test-Fitting	\$ 49,650	\$ 25,150	-	\$ 7,000	-	\$ -	\$ -	\$ 81,800
6 Financial Evaluation	\$ 9,220	\$ 2,600	\$ 11,400	\$ 46,900	\$ 25,000	\$ 13,210	\$ 15,480	\$ 123,810
7 Additional Concept Refinement	\$ 14,900	\$ 8,100	-	-	-	\$ -	\$ -	\$ 23,000
8 Final Options Report	\$ 15,380	\$ 2,980	-	-	-	\$ -	\$ -	\$ 18,360
Total Labor	\$ 124,930	\$ 61,640	\$ 28,570	\$ 77,700	\$ 25,000	\$ 13,210	\$ 15,480	\$ 346,530
Expenses	\$ 2,500	\$ 2,500	\$ 330	\$ 1,500	-	\$ -	\$ -	\$ 6,830
Total	\$ 127,430	\$ 64,140	\$ 28,900	\$ 79,200	\$ 25,000	\$ 13,210	\$ 15,480	\$ 353,360

Proposed Schedule



Santa Clara Downtown Precise Plan
For City Hall Relocation Study, September 8, 2022

Task #		Task Name		Task 1.1.1		Task 1.1.2		Task 1.1.3		Task 1.1.4		Task 1.1.5		Task 1.1.6		Task 1.1.7		Task 1.1.8		Task 1.1.9		Task 1.1.10		Task 1.1.11		Task 1.1.12		Task 1.1.13		Task 1.1.14		Task 1.1.15		Task 1.1.16		Task 1.1.17		Task 1.1.18		Task 1.1.19		Task 1.1.20		Task 1.1.21		Task 1.1.22		Task 1.1.23		Task 1.1.24		Task 1.1.25		Task 1.1.26		Task 1.1.27		Task 1.1.28		Task 1.1.29		Task 1.1.30		Task 1.1.31		Task 1.1.32		Task 1.1.33		Task 1.1.34		Task 1.1.35		Task 1.1.36		Task 1.1.37		Task 1.1.38		Task 1.1.39		Task 1.1.40		Task 1.1.41		Task 1.1.42		Task 1.1.43		Task 1.1.44		Task 1.1.45		Task 1.1.46		Task 1.1.47		Task 1.1.48		Task 1.1.49		Task 1.1.50		Task 1.1.51		Task 1.1.52		Task 1.1.53		Task 1.1.54		Task 1.1.55		Task 1.1.56		Task 1.1.57		Task 1.1.58		Task 1.1.59		Task 1.1.60		Task 1.1.61		Task 1.1.62		Task 1.1.63		Task 1.1.64		Task 1.1.65		Task 1.1.66		Task 1.1.67		Task 1.1.68		Task 1.1.69		Task 1.1.70		Task 1.1.71		Task 1.1.72		Task 1.1.73		Task 1.1.74		Task 1.1.75		Task 1.1.76		Task 1.1.77		Task 1.1.78		Task 1.1.79		Task 1.1.80		Task 1.1.81		Task 1.1.82		Task 1.1.83		Task 1.1.84		Task 1.1.85		Task 1.1.86		Task 1.1.87		Task 1.1.88		Task 1.1.89		Task 1.1.90		Task 1.1.91		Task 1.1.92		Task 1.1.93		Task 1.1.94		Task 1.1.95		Task 1.1.96		Task 1.1.97		Task 1.1.98		Task 1.1.99		Task 1.1.100		Task 1.1.101		Task 1.1.102		Task 1.1.103		Task 1.1.104		Task 1.1.105		Task 1.1.106		Task 1.1.107		Task 1.1.108		Task 1.1.109		Task 1.1.110		Task 1.1.111		Task 1.1.112		Task 1.1.113		Task 1.1.114		Task 1.1.115		Task 1.1.116		Task 1.1.117		Task 1.1.118		Task 1.1.119		Task 1.1.120		Task 1.1.121		Task 1.1.122		Task 1.1.123		Task 1.1.124		Task 1.1.125		Task 1.1.126		Task 1.1.127		Task 1.1.128		Task 1.1.129		Task 1.1.130		Task 1.1.131		Task 1.1.132		Task 1.1.133		Task 1.1.134		Task 1.1.135		Task 1.1.136		Task 1.1.137		Task 1.1.138		Task 1.1.139		Task 1.1.140		Task 1.1.141		Task 1.1.142		Task 1.1.143		Task 1.1.144		Task 1.1.145		Task 1.1.146		Task 1.1.147		Task 1.1.148		Task 1.1.149		Task 1.1.150		Task 1.1.151		Task 1.1.152		Task 1.1.153		Task 1.1.154		Task 1.1.155		Task 1.1.156		Task 1.1.157		Task 1.1.158		Task 1.1.159		Task 1.1.160		Task 1.1.161		Task 1.1.162		Task 1.1.163		Task 1.1.164		Task 1.1.165		Task 1.1.166		Task 1.1.167		Task 1.1.168		Task 1.1.169		Task 1.1.170		Task 1.1.171		Task 1.1.172		Task 1.1.173		Task 1.1.174		Task 1.1.175		Task 1.1.176		Task 1.1.177		Task 1.1.178		Task 1.1.179		Task 1.1.180		Task 1.1.181		Task 1.1.182		Task 1.1.183		Task 1.1.184		Task 1.1.185		Task 1.1.186		Task 1.1.187		Task 1.1.188		Task 1.1.189		Task 1.1.190		Task 1.1.191		Task 1.1.192		Task 1.1.193		Task 1.1.194		Task 1.1.195		Task 1.1.196		Task 1.1.197		Task 1.1.198		Task 1.1.199		Task 1.1.200		Task 1.1.201		Task 1.1.202		Task 1.1.203		Task 1.1.204		Task 1.1.205		Task 1.1.206		Task 1.1.207		Task 1.1.208		Task 1.1.209		Task 1.1.210		Task 1.1.211		Task 1.1.212		Task 1.1.213		Task 1.1.214		Task 1.1.215		Task 1.1.216		Task 1.1.217		Task 1.1.218		Task 1.1.219		Task 1.1.220		Task 1.1.221		Task 1.1.222		Task 1.1.223		Task 1.1.224		Task 1.1.225		Task 1.1.226		Task 1.1.227		Task 1.1.228		Task 1.1.229		Task 1.1.230		Task 1.1.231		Task 1.1.232		Task 1.1.233		Task 1.1.234		Task 1.1.235		Task 1.1.236		Task 1.1.237		Task 1.1.238		Task 1.1.239		Task 1.1.240		Task 1.1.241		Task 1.1.242		Task 1.1.243		Task 1.1.244		Task 1.1.245		Task 1.1.246		Task 1.1.247		Task 1.1.248		Task 1.1.249		Task 1.1.250		Task 1.1.251		Task 1.1.252		Task 1.1.253		Task 1.1.254		Task 1.1.255		Task 1.1.256		Task 1.1.257		Task 1.1.258		Task 1.1.259		Task 1.1.260		Task 1.1.261		Task 1.1.262		Task 1.1.263		Task 1.1.264		Task 1.1.265		Task 1.1.266		Task 1.1.267		Task 1.1.268		Task 1.1.269		Task 1.1.270		Task 1.1.271		Task 1.1.272		Task 1.1.273		Task 1.1.274		Task 1.1.275		Task 1.1.276		Task 1.1.277		Task 1.1.278		Task 1.1.279		Task 1.1.280		Task 1.1.281		Task 1.1.282		Task 1.1.283		Task 1.1.284		Task 1.1.285		Task 1.1.286		Task 1.1.287		Task 1.1.288		Task 1.1.289		Task 1.1.290		Task 1.1.291		Task 1.1.292		Task 1.1.293		Task 1.1.294		Task 1.1.295		Task 1.1.296		Task 1.1.297		Task 1.1.298		Task 1.1.299		Task 1.1.300		Task 1.1.301		Task 1.1.302		Task 1.1.303		Task 1.1.304		Task 1.1.305		Task 1.1.306		Task 1.1.307		Task 1.1.308		Task 1.1.309		Task 1.1.310		Task 1.1.311		Task 1.1.312		Task 1.1.313		Task 1.1.314		Task 1.1.315		Task 1.1.316		Task 1.1.317		Task 1.1.318		Task 1.1.319		Task 1.1.320		Task 1.1.321		Task 1.1.322		Task 1.1.323		Task 1.1.324		Task 1.1.325		Task 1.1.326		Task 1.1.327		Task 1.1.328		Task 1.1.329		Task 1.1.330		Task 1.1.331		Task 1.1.332		Task 1.1.333		Task 1.1.334		Task 1.1.335		Task 1.1.336		Task 1.1.337		Task 1.1.338		Task 1.1.339		Task 1.1.340		Task 1.1.341		Task 1.1.342		Task 1.1.343		Task 1.1.344		Task 1.1.345		Task 1.1.346		Task 1.1.347		Task 1.1.348		Task 1.1.349		Task 1.1.350		Task 1.1.351		Task 1.1.352		Task 1.1.353		Task 1.1.354		Task 1.1.355		Task 1.1.356		Task 1.1.357		Task 1.1.358		Task 1.1.359		Task 1.1.360		Task 1.1.361		Task 1.1.362		Task 1.1.363		Task 1.1.364		Task 1.1.365		Task 1.1.366		Task 1.1.367		Task 1.1.368		Task 1.1.369		Task 1.1.370		Task 1.1.371		Task 1.1.372		Task 1.1.373		Task 1.1.374		Task 1.1.375		Task 1.1.376		Task 1.1.377		Task 1.1.378		Task 1.1.379		Task 1.1.380		Task 1.1.381		Task 1.1.382		Task 1.1.383		Task 1.1.384		Task 1.1.385		Task 1.1.386		Task 1.1.387		Task 1.1.388		Task 1.1.389		Task 1.1.390		Task 1.1.391		Task 1.1.392		Task 1.1.393		Task 1.1.394		Task 1.1.395		Task 1.1.396		Task 1.1.397		Task 1.1.398		Task 1.1.399		Task 1.1.400		Task 1.1.401		Task 1.1.402		Task 1.1.403		Task 1.1.404		Task 1.1.405		Task 1.1.406		Task 1.1.407		Task 1.1.408		Task 1.1.409		Task 1.1.410		Task 1.1.411		Task 1.1.412		Task 1.1.413		Task 1.1.414		Task 1.1.415		Task 1.1.416		Task 1.1.417		Task 1.1.418		Task 1.1.419		Task 1.1.420		Task 1.1.421		Task 1.1.422		Task 1.1.423		Task 1.1.424		Task 1.1.425		Task 1.1.426		Task 1.1.427		Task 1.1.428		Task 1.1.429		Task 1.1.430		Task 1.1.431		Task 1.1.432		Task 1.1.433		Task 1.1.434		Task 1.1.435		Task 1.1.436		Task 1.1.437		Task 1.1.438		Task 1.1.439		Task 1.1.440		Task 1.1.441		Task 1.1.442		Task 1.1.443		Task 1.1.444		Task 1.1.445		Task 1.1.446		Task 1.1.447		Task 1.1.448		Task 1.1.449		Task 1.1.450		Task 1.1.451		Task 1.1.452		Task 1.1.453		Task 1.1.454		Task 1.1.455		Task 1.1.456		Task 1.1.457		Task 1.1.458		Task 1.1.459		Task 1.1.460		Task 1.1.461		Task 1.1.462		Task 1.1.463		Task 1.1.464		Task 1.1.465		Task 1.1.466		Task 1.1.467		Task 1.1.468		Task 1.1.469		Task 1.1.470		Task 1.1.471		Task 1.1.472		Task 1.1.473		Task 1.1.474		Task 1.1.475		Task 1.1.476		Task 1.1.477		Task 1.1.478		Task 1.1.479		Task 1.1.480		Task 1.1.481		Task 1.1.482		Task 1.1.483		Task 1.1.484		Task 1.1.485		Task 1.1.486		Task 1.1.487		Task 1.1.488		Task 1.1.489		Task 1.1.490		Task 1.1.491		Task 1.1.492		Task 1.1.493		Task 1.1.494		Task 1.1.495		Task 1.1.496		Task 1.1.497		Task 1.1.498		Task 1.1.499		Task 1.1.500		Task 1.1.501		Task 1.1.502		Task 1.1.503		Task 1.1.504		Task 1.1.505		Task 1.1.506		Task 1.1.507		Task 1.1.508		Task 1.1.509		Task 1.1.510		Task 1.1.511		Task 1.1.512		Task 1.1.513		Task 1.1.514		Task 1.1.515		Task 1.1.516		Task 1.1.517		Task 1.1.518		Task 1.1.519		Task 1.1.520		Task 1.1.521		Task 1.1.522		Task 1.1.523		Task 1.1.524		Task 1.1.525		Task 1.1.526		Task 1.1.527		Task 1.1.528		Task 1.1.529		Task 1.1.530		Task 1.1.531		Task 1.1.532		Task 1.1.533		Task 1.1.534		Task 1.1.535		Task 1.1.536		Task 1.1.537		Task 1.1.538		Task 1.1.539		Task 1.1.540		Task 1.1.541		Task 1.1.542		Task 1.1.543		Task 1.1.544		Task 1.1.545		Task 1.1.546		Task 1.1.547		Task 1.1.548		Task 1.1.549		Task 1.1.550		Task 1.1.551		Task 1.1.552		Task 1.1.553		Task 1.1.554		Task 1.1.555		Task 1.1.556		Task 1.1.557		Task 1.1.558		Task 1.1.559		Task 1.1.560		Task 1.1.561		Task 1.1.562		Task 1.1.563		Task 1.1.564		Task 1.1.565		Task 1.1.566		Task 1.1.567		Task 1.1.568		Task 1.1.569		Task 1.1.570		Task 1.1.571		Task 1.1.572		Task 1.1.573		Task 1.1.574		Task 1.1.575		Task 1.1.576		Task 1.1.577		Task 1.1.578		Task 1.1.579		Task 1.1.580		Task 1.1.581		Task 1.1.582		Task 1.1.583		Task 1.1.584		Task 1.1.585		Task 1.1.586		Task 1.1.587		Task 1.1.588		Task 1.1.589		Task 1.1.590		Task 1.1.591		Task 1.1.592		Task 1.1.593		Task 1.1.594		Task 1.1.595		Task 1.1.596		Task 1.1.597		Task 1.1.598		Task 1.1.599		Task 1.1.600		Task 1.1.601		Task 1.1.602		Task 1.1.603		Task 1.1.604		Task 1.1.605		Task 1.1.606		Task 1.1.607		Task 1.1.608		Task 1.1.609		Task 1.1.610		Task 1.1.611		Task 1.1.612		Task 1.1.613		Task 1.1.614		Task 1.1.615		Task 1.1.616		Task 1.1.617		Task 1.1.618		Task 1.1.619		Task 1.1.620		Task 1.1.621		Task 1.1.622		Task 1.1.623		Task 1.1.624		Task 1.1.625		Task 1.1.626		Task 1.1.627		Task 1.1.628		Task 1.1.629		Task 1.1.630		Task 1.1.631		Task 1.1.632		Task 1.1.633		Task 1.1.634		Task 1.1.635		Task 1.1.636		Task 1.1.637		Task 1.1.638		Task 1.1.639		Task 1.1.640		Task 1.1.641		Task 1.1.642		Task 1.1.643		Task 1.1.644		Task 1.1.645		Task 1.1.646		Task 1.1.647		Task 1.1.648		Task 1.1.649		Task 1.1.650		Task 1.1.651		Task 1.1.652		Task 1.1.653		Task 1.1.654		Task 1.1.655		Task 1.1.656		Task 1.1.657		Task 1.1.658		Task 1.1.659		Task 1.1.660		Task 1.1.661		Task 1.1.662		Task 1.1.663		Task 1.1.664		Task 1.1.665		Task 1.1.666		Task 1.1.667		Task 1.1.668		Task 1.1.669		Task 1.1.670		Task 1.1.671		Task 1.1.672		Task 1.1.673		Task 1.1.674		Task 1.1.675		Task 1.1.676		Task 1.1.677		Task 1.1.678		Task 1.1.679		Task 1.1.680		Task 1.1.681		Task 1.1.682		Task 1.1.683		Task 1.1.684		Task 1.1.685		Task 1.1.686		Task 1.1.687		Task 1.1.688		Task 1.1.689		Task 1.1.690		Task 1.1.691		Task 1.1.692		Task 1.1.693		Task 1.1.694		Task 1.1.695		Task 1.1.696		Task 1.1.697		Task 1.1.698		Task 1.1.699		Task 1.1.700		Task 1.1.701		Task 1.1.702		Task 1.1.703		Task 1.1.704		Task 1.1.705		Task 1.1.706		Task 1.1.707		Task 1.1.708		Task 1.1.709		Task 1.1.710		Task 1.1.711		Task 1.1.712		Task 1.1.713		Task 1.1.714		Task 1.1.715		Task 1.1.716		Task 1.1.717		Task 1.1.718		Task 1.1.719		Task 1.1.720		Task 1.1.721		Task 1.1.722		Task 1.1.723		Task 1.1.724		Task 1.1.725		Task 1.1.726		Task 1.1.727		Task 1.1.728		Task 1.1.729		Task 1.1.730		Task 1.1.731		Task 1.1.732		Task 1.1.733	
--------	--	-----------	--	------------	--	------------	--	------------	--	------------	--	------------	--	------------	--	------------	--	------------	--	------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	-------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--	--------------	--



City of Santa Clara

1500 Warburton Avenue
Santa Clara, CA 95050
santaclaraca.gov
@SantaClaraCity

Agenda Report

22-1204

Agenda Date: 10/18/2022

REPORT TO COUNCIL

SUBJECT

Action on Amendment No. 3 with Wallace Roberts and Todd, LLC (WRT) for the City Hall Relocation Study and Related Budget Amendment

COUNCIL PILLAR

Promote and Enhance Economic, Housing, and Transportation Development

BACKGROUND

The City is currently in the process of preparing a Precise Plan for the City's historic Downtown area. The Downtown planning area consists of the ten city blocks located between Homestead and Benton streets, west of Lafayette Street. The goal of the Precise Plan is to promote the redevelopment of the Downtown area consistent with the vision of restoring the Downtown as an active destination within Santa Clara, consistent with the character and vibrancy of an active, historic Downtown.

The Downtown Precise Plan effort formally began in 2018 with the appointment of a community member Task Force, including organizations such as Reclaiming Our Downtown and the Old Quad Resident's Association. The City conducted a Request for Qualifications (RFQ) process in 2019 and, with the input of the Task Force, selected Wallace Roberts & Todd, LLC (WRT) to provide Downtown Precise Plan consultant services. Since then, City staff and WRT have been working closely with the Task Force on the preparation of a Precise Plan that will provide guidance for new development within the Downtown area through policies, guidelines, and illustrations that implement the community vision and objectives for a vibrant, pedestrian-oriented destination.

The City's initial contract with WRT has been amended two times. Amendment No. 1 was approved by the City Council in May 2021. This first amendment to the consultant contract was to add the following services to the scope of work for the Downtown Precise Plan: 1) Form Based Zoning Code and Sign Ordinance; 2) Development Impact Fee; 3) Downtown Management Entity; and 4) additional Downtown Community Task Force Meetings. Amendment No. 2 was approved by the City Council in December 2021. The second amendment to the consultant contract added the following services to the scope of work for the Downtown Precise Plan: 1) Consultant Team Charette; 2) Added stakeholder meetings; 3) Financial Feasibility of Land Use Options analysis; 4) Financial Memo Addendum to Existing Conditions Report; 5) Context Study; and 6) Additional Downtown Community Task Force Meetings with subconsultants.

DISCUSSION

At the May 24, 2022 City Council meeting, the Council discussed contracting with the current Downtown Precise Plan Consultant, WRT, to prepare a Financial Analysis for moving City Hall to a location within the eight blocks of the Original Downtown. This agenda item was requested through a written petition submitted by resident Mary Grizzle on behalf of the members of Reclaiming our

Downtown:

At the May 24th meeting, the City Council directed staff to provide a scope of work and contract amendment with the current Downtown Precise Plan Consultant to study a City Hall relocation to downtown, including financial feasibility and strategies. In June 2022, the City Council subsequently approved the allocation of funds for the requested Study through the budget process.

Following Council direction, staff has worked with WRT to prepare a scope to study the relocation of the City Hall to the Downtown. The proposed scope is attached to this report as Attachment 2 and includes the following:

- Project Initiation
- Program Confirmation
- City Hall Economic Assessment
- Criteria and Site Comparison
- Concept Testing and Test-Fitting
- Financial Evaluation
- Concept Refinement
- Final Options Report

Staff is requesting that the City Council grant approval to the City Manager to amend the City's contract with WRT to add the attached scope. This will allow staff and WRT to proceed with preparation of the study, consistent with prior City Council discussion. The proposed cost for the study, \$353,360 includes a portion (\$28,360) that would be funded by Silicon Valley Power (SVP) to analyze multiple scenarios involving SVP office space. The remaining scope (\$325,000) is consistent with the City Council's capital improvement program (CIP) budget action at the June 21, 2022 Council meeting. This Amendment No. 3 will also utilize the three-year term extension option provided in the Original Agreement, resulting in a revised termination date of December 31, 2024.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

FISCAL IMPACT

The Consultant's proposal for the scope of work has a cost of \$353,360. As part of the FY 2022/23 and FY 2023/24 Capital Improvement Program budget adoption, funding in the amount of \$325,000 was appropriated to the Precise Plan for Downtown project for the City Hall Relocation Study. The remaining \$28,360 is available in Silicon Valley Power's Electric Yard Buildings and Grounds project budget for facility assessment of buildings occupied by SVP.

**Budget Amendment
FY 2022/23**

	Current	Increase/ (Decrease)	Revised
Electric Utility Capital Fund			
<u>Expenditure</u>			
Electric Yard Buildings and Grounds	\$2,263,136	(\$28,360)	\$2,234,776
<u>Transfer To</u>			
General Government Capital Fund	\$0	\$28,360	\$28,360
General Government Capital Fund			
<u>Transfer From</u>			
Electric Utility Capital Fund	\$0	\$28,360	\$28,360
<u>Expenditure</u>			
Precise Plan for Downtown	\$325,000	\$28,360	\$353,360

COORDINATION

This report has been coordinated with Silicon Valley Power, the Finance Department and the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Authorize the City Manager to execute Amendment No. 3 to the Agreement with Wallace Roberts and Todd, LLC (WRT) for the City Hall Relocation Study at a total cost not to exceed \$1,331,706.
2. Approve the following FY 2022/23 budget amendments:
 - a. In the General Government Capital Fund, recognize a transfer of \$28,360 from the Electric Utility Capital Fund and increase the Precise Plan for Downtown project by \$28,360 (**five affirmative Council votes**); and
 - b. In the Electric Utility Capital Fund, establish a transfer to the General Government Capital Fund in the amount of \$28,360 and reduce the Electric Yard Buildings and Grounds project by \$28,360 (**five affirmative Council votes required**).

Reviewed by: Andrew Crabtree, Director, Community Development
 Approved by: Rajeev Batra, City Manager

ATTACHMENTS

1. Amendment No. 3 with Wallace Roberts and Todd, LLC (WRT)
2. Scope of Work - City Hall Relocation Study
3. Original Agreement and RTC19-1006
4. Amendment No. 1 and RTC21-667
5. Amendment No. 2



Agenda Report

23-687

Agenda Date: 6/27/2023

REPORT TO COUNCIL

SUBJECT

Action on a Resolution Authorizing the Use of City Electric Forces at Various Locations

COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

BACKGROUND

Section 1310 of the Santa Clara City Charter, entitled Contracts on Public Works states “that every contract involving an expenditure of more than one thousand dollars (\$1,000) for the construction or improvement (excluding maintenance and repair) of public buildings, works, streets, drains, sewers, utilities, parks and playgrounds shall be let to the lowest responsible bidder.” The section further states that “the City Council may declare and determine that, in its opinion, the work in question may be performed better or more economically by the City with its own employees, and after the adoption of a resolution to this effect by at least four affirmative votes, it may proceed to have said work done in the manner stated, without further observance of the provisions of this section.”

DISCUSSION

Staff believes that the work described below is best and most efficiently performed with City forces based upon the following factors: (1) the work is limited in size and scope; (2) City forces have knowledge and training in operating and maintaining the electric system that can be leveraged to more economically perform this work; and (3) bidding out the work and contracting with a private entity would not likely result in a lower overall cost or time savings. Therefore, staff recommends that the City Council make a finding that City forces can better perform the installation of the following electric facilities and approve the use of City forces.

Estimate Number: 38703
Location: 2300 Calle de Luna
Type of Service: New Business
Description of Work: Install ±200' high voltage conductor, 6-600 A termination elbows, 30-600 A splices.
Estimated Cost: \$115,747
Appropriation: Electric Utility Capital Fund (591) Project 2005 - New Business Estimate Work
Source of Revenue: Customer/Developer Contribution

Estimate Number: 37286
Location: 2920 Scott Boulevard
Type of Service: New Business
Description of Work: Relocation of an existing padmount electrical transformer.

Estimated Cost: \$37,663
Appropriation: Electric Utility Capital Fund (591) Project 2005 - New Business Estimate Work
Source of Revenue: Customer/Developer Contribution

ENVIRONMENTAL REVIEW

Staff recommends that the City Council determine that the actions being considered are exempt from the California Environmental Quality Act ("CEQA") pursuant to the following sections of Title 14 of the California Code of Regulations: (1) section 15302(c) (Class 2 - Replacement or Reconstruction) as the proposed work involves the replacement or reconstruction of existing utility systems and/or facilities involving negligible expansion of capacity, and (2) section 15303 (Class 3 - New Construction or Conversion of Small Structures) as the proposed work involves the construction of a limited number of small electric utility facilities.

FISCAL IMPACT

The funds to support the staff time for work performed by SVP and related construction materials for the work detailed in this report, totaling \$153,410 are included in the Fiscal Year 2022/23 Capital Budget, New Business Estimate Work project in the Electric Utility Capital Fund. All referenced work will be performed with City Silicon Valley Power staff. Some work associated with encroachment permits may be performed by the Department of Public Works (DPW). DPW costs are recovered through payment of permit fees.

COORDINATION

This report has been coordinated with the Finance Department and City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Determine the proposed actions are exempt from CEQA pursuant to Sections 15302 (c) and 15303 of Title 14 of the California Code of Regulations and adopt a Resolution authorizing the use of City Electric Forces for work detailed in this Report to Council located at 2300 Calle de Luna and 2920 Scott Boulevard.

Reviewed by: Manuel Pineda, Chief Electric Utility Officer

Approved by: Jōvan D. Grogan, City Manager

ATTACHMENTS

1. Resolution - Use of City Electric Forces

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA
AUTHORIZING THE USE OF CITY ELECTRIC FORCES
PURSUANT TO CHARTER SECTION 1310**

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, the section 1310 of the City of Santa Clara Charter requires all contracts involving an expenditure of over \$1,000 for the construction or improvement (excluding maintenance and repair) of a public works project to be let to the lowest responsible bidder;

WHEREAS, City Charter section 1310 permits the City of Santa Clara ("City" or "City of Santa Clara") to use its own employees if the City Council, by motion passed by at least four affirmative votes, determines that the public works may be done better or more economically by the City's own employees, and, upon such determination, the City may proceed to have the public works project completed without further observance of Charter section 1310;

WHEREAS, the City's Electric Department desires to perform certain public works, as set forth in the Report to Council, dated June 27, 2023, by its own employees; and,

WHEREAS, the City's Electric Department has presented evidence supporting that the work in question may be performed better or more economically by the City with its own employees.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. The City Council of the City of Santa Clara does hereby declare and determine that the public works project set forth in the 23-687 Report to Council, attached hereto and incorporated by this reference, may be performed better or more economically by the City with its own employees.

///

///

2. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED
AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING
THEREOF HELD ON THE ____ DAY OF _____, 2023, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: _____
NORA PIMENTEL, MMC
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference: June 27, 2023, Report to Council No. 23-687



Agenda Report

23-830

Agenda Date: 6/27/2023

REPORT TO COUNCIL

SUBJECT

Action to Adopt a Resolution to Provide Santa Clara Small Businesses Reporting 49 or Fewer Employees a One-Time Subsidy to Help Offset Costs of Modernized Business License Taxes Using Existing Silicon Valley Chamber of Commerce Settlement Funds Up to \$330,000

COUNCIL PILLAR

Promote and Enhance Economic, Housing and Transportation Development
Enhance Community Engagement and Transparency

BACKGROUND

On September 7, 2021, the City Council approved the appropriation of funds from the Silicon Valley Chamber of Commerce (Attachment 1). These funds were received as part of a settlement agreement reached between the City and the Silicon Valley Central Chamber of Commerce ("SVCCC") in June 2021. As part of the settlement the City received funds in the amount of \$330,000 for outreach and assistance to small businesses in Santa Clara.

On July 12, 2022, the City Council took formal action to submit to Santa Clara voters a Business License Tax Modernization Measure as part of the November 2022 General Election. During that discussion, staff included details of several components of the business tax intended to ensure equity and the protection of small businesses including a one-time subsidy for businesses for Santa Clara companies reporting 49 or fewer employees (Attachment 2).

On November 8, 2022, nearly 60% of Santa Clara Voters approved Measure H to update the City's Business License Tax program. The new rates will go into effect on July 1, 2023 and affect nearly 6,100 businesses in Santa Clara. Information about the revised program can be found on at <https://www.santaclaraca.gov/our-city/departments-a-f/finance/business-license-tax-2023-update>.

DISCUSSION

During the outreach process related to the proposed measure, a core value that was identified by stakeholders and the City Council was the importance of mitigating the impact on small businesses in Santa Clara.

With that in mind, staff began to explore various options on how to mitigate the impact of the new fee structure on small businesses to ease the initial transition. One solution that was identified early on was the availability of funds in the amount of \$330,000 in the settlement agreement with the Silicon Valley Chamber of Commerce that had been earmarked for the purpose of providing outreach and support to small businesses. The purpose of this report is to request authorization to allocate that funding to support a one-time credit to Santa Clara businesses reporting 49 or fewer employees. This subsidy would be applied as a credit during the 2023/24 fiscal year renewal process starting on

July 1. The recommended subsidy aligns with the outlined use of those funds for outreach and assistance to small businesses in Santa Clara.

As shown in Table 1, 5,700 of the approximately 6,100 total number of businesses in Santa Clara would be eligible to receive a one-time subsidy with an estimated cost of \$323,190. It should be noted that the number of businesses and employee counts are based on the best information at the time. The actual subsidy provided, and number of businesses, will vary based on actual counts at the time of the business license tax renewal. Eligible businesses will be required to have an office located in the City of Santa Clara and funds will be disbursed on a first come, first serve basis until the \$330,000 is exhausted.

Table 1: Estimated Tax and Proposed Subsidy by Employee Range

Employee Range	# of Businesses	Estimated Business Tax Revenue	Average Tax per Business	Subsidy per Business	Total Subsidy
0-4	3,838	\$ 408,105	\$ 106	\$ 30	\$115,140
5-9	842	279,675	332	75	63,150
10-19	559	360,855	645	100	55,900
20-49	445	610,920	1,373	200	89,000
Total	5,684				\$323,190

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

FISCAL IMPACT

Funding in the amount of \$330,000 was received in FY 2021/22 and carried over as those funds remained unspent. A separate action is included in the FY 2023/24 budget adoption on the June 27, 2023 City Council agenda to carry these unspent funds to FY 2023/24 for the purposes recommended in this report.

COORDINATION

This report was coordinated with the City Attorney's Office and Finance Department.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Adopt a Resolution to provide a one-time subsidy to small businesses located in Santa Clara reporting 49 or fewer employees, applied upon business license tax renewal for Fiscal Year 2023/24, using existing Silicon Valley Chamber of Commerce settlement funds on a first come first serve basis in an amount not to exceed \$330,000.

Reviewed by: Cynthia Bojorquez, Assistant City Manager

Approved by: Jōvan D. Grogan, City Manager

ATTACHMENTS

1. RTC 21-1134 Silicon Valley Chamber of Commerce Funds
2. July 12, 2022 City Council Business License Tax Modernization Presentation Slide 5
3. Resolution



Agenda Report

21-1134

Agenda Date: 9/7/2021

REPORT TO COUNCIL

SUBJECT

Action on the Appropriation of Funds from the Silicon Valley Central Chamber of Commerce and Related Budget Amendment

COUNCIL PILLAR

Promote and Enhance Economic, Housing and Transportation Development
Enhance Community Engagement and Transparency

BACKGROUND

On May 22, 2018, Council provided direction to staff to begin an audit of the Convention Center and Convention-Visitors Bureau and the City hired TAP International to complete a performance audit of the Santa Clara Convention Center (SCCC) and the Convention-Visitors Bureau (CVB). To date, TAP International has completed three audits that have been presented to Council.

At the September 18, 2018 Council meeting, TAP International presented the analysis and findings of the performance audit entitled "Santa Clara Convention Center and Convention-Visitors Bureau: Restructuring Operations Can Strengthen Accountability, Performance and Revenue". The audit revealed while the fiscal health of the SCCC and CVB was good when evaluated separately and received high customer satisfaction scores, the audit also revealed serious failures to manage public assets with appropriate stewardship, accountability, and transparency by the Chamber.

At the November 27, 2018 Council meeting, TAP International presented the analysis and findings of the performance audit entitled "City of Santa Clara Tourism Improvement District - Governance, Internal Controls and Oversight Need Attention". The findings revealed similar issues found in the previous audit including the need for updated policies and improved record keeping as the Fiscal Agent of the Tourism Improvement District (TID).

At the November 12, 2019 Council meeting, TAP International presented the analysis and findings of the financial audit entitled "Contract Close Out Report: Convention and Visitor's Bureau". The audit revealed the need for the City to receive reimbursement from either the Chamber, CVB, or the Tourism Improvement District reserves based on the nature of the expenditures and the balances at the end of the Chamber's agreement with the City. TAP International presented nine recommendations for Council consideration and Council direction was referred to Closed Session under Anticipated Litigation.

DISCUSSION

The City Council authorized discussion with the new Chamber executive staff to reach a compromise on the amounts owed as identified by the audit. A settlement was reached between the City and the Silicon Valley Central Chamber of Commerce ("SVCCC") in June 2021, based on authority provided

by Council in closed session. The settlement agreement in the amount of \$330,000 to be paid to the City was executed on July 12, 2021 (Attachment 1 Settlement Agreement). SVCCC will submit four equal payments of \$82,500 within 10 days from the beginning of each quarter, the first of which has already been made.

Funds will be managed by the City Manager's Office and used to improve outreach and assistance to small businesses in Santa Clara.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

FISCAL IMPACT

The recommended budget action recognizes the settlement funds of \$330,000 and appropriates those funds to the City Manager's Office to be used to improve outreach and assistance to small businesses in Santa Clara.

Budget Amendment FY 2021/22

	Current	Increase/ (Decrease)	Revised
General Fund			
<u>Revenue</u>			
Revenue from Other Agencies - Silicon Valley Central Chamber of Commerce	\$0	\$330,000	\$330,000
<u>Expenditures</u>			
City Manager's Office	\$5,442,069	\$330,000	\$5,772,069

The budget amendment recommended above requires five affirmative Council votes to appropriate additional revenue.

COORDINATION

This report has been coordinated with the City Attorney's Office and the Finance Department.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Consistent with City Charter Section 1305, “*At any meeting after the adoption of the budget, the City Council may amend or supplement the budget by motion adopted by the **affirmative votes of at least five members** so as to authorize the transfer of unused balances appropriated for one purpose to another purpose, or to appropriate available revenue not included in the budget,*” approve the FY 2021/22 budget amendment in the General Fund to recognize and appropriate revenue in the amount of \$330,000 to the City Manager’s Office operating budget (**five affirmative Council votes required to appropriate additional revenue**) .

Reviewed by: Ruth Mizobe Shikada, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Settlement Agreement

Business Tax Alternative #1: Flat Tax

- **Projected Revenue: Approximately \$6 million (includes rental); Effective July 1, 2023, Rolling Implementation**
- Flat tax of \$45 per employee or \$15 per rental unit
- Business with gross receipts < \$5,000 exempt
- Cap of \$350,000
- CPI, with cap of 5%
- Subsidies for companies

Employee Range	Subsidy per Business
0-4	\$ 30
5-9	75
10-19	100
20-49	200

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF SANTA CLARA,
CALIFORNIA, FOLLOWING PASSAGE OF THE BUSINESS
LICENSE TAX MODERNIZATION MEASURE AS PART OF THE
NOVEMBER 2022 BALLOT TO PROVIDE SANTA CLARA
SMALL BUSINESSES WITH A ONE-TIME SUBSIDY FOR
BUSINESSES REPORTING 49 OR FEWER EMPLOYEES WITH
EXISTING FUNDS PROVIDED AS PART OF THE SILICON
VALLEY CENTRAL CHAMBER OF COMMERCE SETTLEMENT
AGREEMENT**

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, on September 7, 2021, the City Council approved the appropriation of funds from the Silicon Valley Chamber of Commerce as part of a settlement agreement reached between the City and the Silicon Valley Central Chamber of Commerce ("SVCCC") in June 2021, based on authority provided in closed session;

WHEREAS, as part of the settlement the City received \$330,000, dedicated for outreach and assistance to small businesses in Santa Clara;

WHEREAS, on July 12, 2022, as part of the discussion and adoption of a resolution calling for a Municipal General Election, the City Council voted to submit to the voters a Business License Tax Modernization Measure as part of the November 2022 General Election. During that discussion, staff included details of several components of the business tax to ensure equity and the protection of small businesses. A one-time subsidy for businesses that would be included for Santa Clara companies reporting 49 or fewer employees was presented for consideration; and

WHEREAS, on November 8, 2022, nearly 60% of Santa Clara Voters approved Measure H to update the City's Business License Tax program. The new rates will go into effect on July 1, 2023; and,

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. The City of Santa Clara shall provide a one-time subsidy credit upon business license tax renewal during the 2023/24 fiscal year.

2. The subsidy provided shall be based on the number of employees reported by a business and in accordance with the amounts listed below

Employee Range	Subsidy per Business
0-4	\$ 30
5-9	75
10-19	100
20-49	200

3. Eligibility. Businesses eligible for the subsidy will be required to have an office located in the City of Santa Clara. Funds will be credited for business license tax renewal on a first come, first serve basis until the \$330,000 is exhausted.

4. City staff is authorized and directed to develop appropriate administrative policies to implement this subsidy program.

5. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 27th DAY OF JUNE, 2023, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST:

NORA PIMENTAL, MMC
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference: None



Agenda Report

23-756

Agenda Date: 6/27/2023

REPORT TO COUNCIL

SUBJECT

Approve a Silicon Valley Power One-Time Climate Credit for Small Commercial (C-1) Customers

COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

BACKGROUND

On May 23, 2023 (Council Report 23-479), the City Council authorized a 5% mid-year increase to the electric rate schedules of Silicon Valley Power (SVP) for all classes of customers, effective July 1, 2023. This proposed increase was necessary due to the spike in market energy prices and market natural gas prices which mostly occurred in December 2022 and January 2023. This spike in natural gas prices caused unforeseeable and significant increases in SVP's power purchase and production costs.

As discussed at the May 23 Council meeting, as part of the rate increase staff will also be implementing a one-time efficiency/climate residential credit of \$30 that is intended to help cover the increased costs for all residential customers. The credit is funded from existing Green House Gas reduction funds which are derived from the sale of allowances under the Cap-and-Trade Program. A number of utilities, including PG&E, provided similar credits. These credits are not typical for SVP, and the only similar credit SVP has implemented was to provide customer relief during the Covid-19 pandemic.

During its consideration of the mid-year rate increase, the City Council suggested staff develop a similar small commercial (C-1 billing rate) credit.

DISCUSSION

Even with the approved increase, SVP's rates will remain significantly below PG&E's current rates (and lower than any other utility with more than 10,000 customers). For the small commercial customers (C-1 rate), SVP rates are 35% lower than PG&E. For a typical small business (1000 kWh) the proposed increase is approximately \$11.00 a month for a new total of \$228.88.

In comparison, for a large commercial/industrial customer, the typical increase will be an additional \$3,912 a month and for a large industrial customer the typical increase will be \$14,361 a month. For the largest SVP customers, the 5% increase will range from approximately \$50,000 - \$400,000 additional a month.

Proposed Credit

Staff reviewed three possible credit options for the approximately 6,300 small business customers.

- \$30 total credit which would cover approximately 2.7 months of the approved 5% increase.
- \$50 total credit which would cover approximately 4.5 months of the approved 5% increase.
- \$70 total credit which would cover approximately 6.4 months of the approved 5% increase.

As comparison, the \$30 residential credit covers approximately 10 months of the approved 5% increase for the average residential customer and 4 months for a high-use residential customer.

Proposed Credit

Staff is proposing to move forward with a one-time \$70 dollar credit from Green House Gas funds. This credit aligns with similar relief provided to residential customers, and for the average small business, it fully covers the additional cost for the six months of a mid-year increase. It is expected the credit will appear on customers' bills in the August/September timeframe.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to section 15378(b)(4) of Title 14 of the California Code of Regulations in that the proposed action is a fiscal activity which does not involve any commitment to a specific project that may result in a potentially significant physical impact on the environment .

FISCAL IMPACT

The one-time \$70 C-1 credit will cost approximately \$441,000 and will be funded from existing Green House Gas reduction funds in the Mandated Program Costs budget in the Electric Operating Grant Trust Fund. California Air Resources Board (CARB) provides these allowances to publicly owned utilities, like SVP, to mitigate the Cap-and-Trade Program's compliance costs. The proposed credit is an authorized use of the proceeds of CARB allowances.

COORDINATION

This report has been coordinated with the Finance Department and City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Approve a Silicon Valley Power one-time \$70 Climate Credit for all C-1 customers.

Reviewed by: Manuel Pineda, Chief Electric Utility Officer

Approved by: Jövan D. Grogan, City Manager



Agenda Report

23-734

Agenda Date: 6/27/2023

REPORT TO COUNCIL

SUBJECT

Overview of the Citywide Risk Assessment and Proposed 2023 and 2024 Internal Audit Work Plans

BACKGROUND

Per Section 909 of the City Charter, and SCCC Section 2.29.010, the City Auditor's duties and responsibilities include conducting in-depth financial and performance audits, overseeing the City's performance management system, auditing and approving all bills, invoices, payrolls, demands or charges against the City government before payment and, with the advice of the City Attorney, making reports to the City Council as to the regularity, legality and correctness of such claims, demands or charges. The City Auditor's Office conducts its work under the auditing standards prescribed by the Institute of Internal Auditors (IIA). The IIA International Standards for the Professional Practice of Internal Auditing (Standards) requires the City Auditor's Office to "establish a risk-based plan to determine the priorities of the internal audit activity, consistent with the organization's goals" and consider the input from senior management and a governing board.

DISCUSSION

The City Auditor's Office engaged Baker Tilly US, LLP (Baker Tilly) to conduct a citywide risk assessment and prepare an annual audit work plan for the next five years. The purpose of the internal audit function's risk assessment is to develop an audit plan that assigns internal audit resources to the activities that add the most value to the City. The risk assessment process involves identifying and measuring risks associated with the audit universe (a list of specific departments, functions, processes, programs, etc. that can be subject to an audit, i.e. auditable units). Risk is defined as "the possibility of an event or condition occurring that will have an impact on the ability of an organization to achieve its objectives." The risk assessment is an ongoing process and will be updated each year. These updates may alter previously identified audit plans based on these ongoing assessments.

This report summarizes Baker Tilly's risk assessment methodology, analysis, and results. The 2023-2024 audit plan proposed in this report is based on the results of this risk assessment. The risk assessment involved collaboration with City Council and executive management from 14 main departments across the organization. In conducting the risk assessment, the following activities occurred:

- Developed an understanding of the City's environment, businesses, and objectives
- Met with members of City Council and the Executive Management Team representing the major operations and administrative functions of the City
- Reviewed key documentation such as the City Council Priority Matrix, the annual budget documents, financial statements, departmental strategic plans, and prior audit reports

- Evaluated the results of interviews and documentation reviews and considered industry factors to identify areas of risk to the City

In developing the 2023 and 2024 Audit Plan, the following were considered:

- Risk assessment - Internal audit activities to target high and moderate risk areas based on the results of the risk assessment
- Adding value - Internal audit activities to add value through independent and objective analysis
- City Council - The City Auditor's Office reports to the City Council and seeks input on audit priorities
- Coverage and other audits - Consideration of prior and other audits as well as pervasiveness of the process or control to ensure audit coverage and to avoid duplication of efforts
- Scheduling - Consideration of the timing of an audit and other on-going initiatives to avoid putting an undue burden on City staff that may exacerbate the risk at hand or other interrelated risks

Staff and Baker Tilly, LLC presented the results of the risk assessment to the Audit Committee and presented the audit work plan for input and approval. After discussion, the Audit Committee recommended staff proposed revisions so that items from the 2024 work plan could be advanced to the current year workplan. The Committee accepted the report and proposed workplan and moved to bring it to the City Council for note and file.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environment Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a)(4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

FISCAL IMPACT

Costs associated with the preparation of this report are included in the City's FY 2022/23 Adopted Operating Budget.

COORDINATION

This report has been coordinated with the City Manager's Office and City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Note and file the citywide risk assessment report from Baker Tilly, LLC and note the proposed 2023 and 2024 audit work plans as approved by the Audit Committee.

Reviewed and Approved by: David Noce, Audit Manager

ATTACHMENTS

1. City of Santa Clara - Citywide Risk Assessment and 2023 and 2024 Audit Work Plan

February 3, 2023

City of Santa Clara

City Auditor's Office

Citywide Risk Assessment and Proposed 2023 – 2024
Audit Work Plan

Contents

INTRODUCTION.....	1
RISK ASSESSMENT APPROACH	3
RISK ASSESSMENT RESULTS	4
PROPOSED 2023 - 2024 AUDIT PLAN	9
APPENDICES	11



Baker Tilly US, LLP, trading as Baker Tilly, is an independent member of Baker Tilly International. Baker Tilly International Limited is an English company. Baker Tilly International provides no professional services to clients. Each member firm is a separate and independent legal entity, and each describes itself as such. Baker Tilly US, LLP is not Baker Tilly International's agent and does not have the authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly International, Baker Tilly US, LLP nor any of the other member firms of Baker Tilly International has any liability for each other's acts or omissions. The name Baker Tilly and its associated logo is used under license from Baker Tilly International Limited.

Introduction

Overview

Background

The [California Government Code Section 1236](#) requires all cities that conduct audit activities to conduct their work under the general and specified standards prescribed by the Institute of Internal Auditors (IIA) or the Government Auditing Standards (GAO) issued by the Comptroller General of the United States, as appropriate. The internal audit function will govern itself by adherence to the mandatory elements of the International Standards for the Professional Practice of Internal Auditing (the Standards). According to the IIA Standard 2010, the head of internal audit function “must establish a risk-based plan to determine the priorities of the internal audit activity, consistent with the organization’s goals” and consider the input from senior management and a governing board.

The City Auditor’s Office (CAO) engaged Baker Tilly US, LLP (Baker Tilly) in 2022 to conduct a citywide risk assessment and prepare an annual audit work plan for five years. The purpose of the internal audit function’s risk assessment is to develop an audit plan that assigns internal audit resources to the activities that add the most value to the City of Santa Clara (the City). The risk assessment process involves identifying and measuring risks associated with the [audit universe](#) (a list of specific departments, functions, processes, programs, etc. that can be subject to an audit, i.e. auditable units). Risk is defined as “the possibility of an event or condition occurring that will have an impact on the ability of an organization to achieve its objectives.”¹

Audit Planning

This report summarizes Baker Tilly’s risk assessment methodology, analysis, and results. The 2023–2024 audit plan proposed in this report is based on the results of this risk assessment. The risk assessment involved collaboration with City Council and executive management from 14 main departments across the organization.

In conducting the 2022 risk assessment, we performed the following:

- Developed an understanding of the City’s environment, businesses, and objectives
- Met with members of City Council and the Executive Management Team representing the major operations and administrative functions of the City
- Reviewed key documentation such as the City Council Priority Matrix, the annual budget documents, financial statements, departmental strategic plans, and prior audit reports
- Evaluated the results of interviews and documentation reviews and considered industry factors to identify areas of risk to the City

In developing the 2023–2024 Audit Plan, we considered the following:

- Risk assessment – Internal audit activities to target high and moderate risk areas based on the results of the risk assessment
- Adding value – Internal audit activities to add value through independent and objective analysis
- City Council – The CAO reports to the City Council and seeks input on audit priorities
- Coverage and other audits – Consideration of prior and other audits as well as pervasiveness of the process or control to ensure audit coverage and to avoid duplication of efforts
- Scheduling – Consideration of the timing of an audit and other on-going initiatives in order to avoid putting an undue burden on City staff that may exacerbate the risk at hand or other interrelated risks

¹ Rick A. Wright Jr., CIA, “The Internal Auditor’s Guide to Risk Assessment” The Institute of Internal Auditors Research Foundation (IIARF), 2018

Organizational Strengths

Through the risk assessment, we observed certain strengths of the City. Key strengths include:

- Dedication to the citizens and business community
- High value on financial stability and public safety
- Focus on excellence and affordability
- Highly professional and dedicated management and staff

Risk Assessment Process Considerations

The starting point of the internal auditing is to conduct a risk assessment that is the basis for determining the internal audit activities. However, it is not a one-size-fits-all process. The scope and complexity of risk assessment are affected by various factors such as the maturity level of the internal audit function's products and services, the organization's enterprise risk management (ERM) efforts, coordination with other monitoring and risk management functions, and the stakeholders' expectations. The best practice is to focus on risks related to the achievement of the organization's strategies and objectives. The internal audit risk assessment needs to be conducted at least annually, and internal auditors should monitor the environment for changes and emerging risks.

In addition to the annual macro-level risk assessment, the internal audit function is required to perform an engagement-level risk assessment when starting each audit listed in the approved audit plan. The IIA Standard 2200 states, "Internal auditors must develop and document a plan for each engagement, including the engagement's objectives, scope, timing, and resource allocations. The plan must consider the organization's strategies, objectives, and risks relevant to the engagement."

Risk assessment can also be conducted as part of risk management as one of the essential elements of organizational governance. ERM is defined as "the culture, capabilities, and practices, integrated with strategy-setting and performance, that organizations rely on to manage risk in creating, preserving, and realizing value."² ERM is more than having a list of all the risks for an organization. The COSO's ERM principles covering governance to monitoring (including defining risk appetite and implementing risk responses), apply to all levels and functions of an organization although management has overall responsibility for managing risks and a governing body has an oversight role. The internal audit function may leverage ERM information, if available, for efficiency and quality of its risk assessment.

² ["COSO Enterprise Risk Management-Integrating with Strategy and Performance"](#), The Committee of Sponsoring Organizations of the Treadway Commission (COSO), 2017

Risk Assessment Approach

Baker Tilly's risk assessment approach consisted of four phases as illustrated in the graphic below.



2022 RISK ASSESSMENT PHASES	
Planning	<ul style="list-style-type: none"> Worked with the CAO to determine the appropriate approach to plan and perform the risk assessment Scheduled the interviews with City Council members and Executive Management Team (EMT) members
Information Gathering	<ul style="list-style-type: none"> Reviewed the key documents such as Council Priority Matrix, the biennial budget documents, the annual comprehensive financial report, departmental strategic plans, audit reports, the information on the City's website and other relevant documents. Interviewed over 30 individuals to identify the events and conditions that may affect the achievement of objectives Distributed a questionnaire to the EMT members- to gather additional information on each auditable unit
Analysis	<ul style="list-style-type: none"> Obtained and considered the financial data, budget data, employee turnover data, application inventory, and claims information Scored the auditable units in the risk matrix based on the likelihood and the impact³ of potential adverse events <ul style="list-style-type: none"> Each of the auditable units received scores for various risk factors related to the likelihood or impact (defined in Appendix A) Risk factor scores were summed to create a single score for the auditable unit Identified potential internal audit activities for the auditable units with high risk scores
Reporting	<ul style="list-style-type: none"> Summarized the approach and results of the risk assessment

Baker Tilly conducted the first risk assessment by interviewing all City Council members and EMT members and reviewing the key documents and data. Our risk assessment process primarily measured inherent risk (the risk before mitigating controls/factors are applied) in the City's current environment.

The next risk assessment will include an update to this risk assessment in accordance with the contract. For the second-year risk assessment, Baker Tilly will interview the EMT members and also conduct a risk assessment survey to obtain input from other members of management. For the third and fifth year, the existing audit plan will be evaluated based on interviews with City audit staff and amended if necessary. For the fourth year, a full risk assessment and a survey will be conducted.

³ Likelihood is the possibility that an event will occur. Impact is the extent to which an event might affect an organization.

Risk Assessment Results

Citywide Key Risk Areas

Baker Tilly performed interviews with members of City Council and the Executive Management Team. During these interviews, Baker Tilly asked them to describe the areas they view to be the top five risks facing the City overall, regardless as to whether it is specific to their area of focus/department or not. The following is a list of risk themes identified in those interviews:

- Strategic Workforce Planning
- Budget and Financial Performance
- Compliance and Legal Risks
- Organizational Governance
- Information Technology & Cybersecurity

Strategic Workforce Planning

- *Employee Recruitment & Retention* – Attracting and retaining high-performing employees is a complex challenge facing the City. Recent legislation such as the Public Employee Pension Reform Act of 2013 (PEPRA) made public employment less attractive in the State of California as retirement benefits became less generous. In addition, the City's high cost of living limits the applicant pool as many employees and prospective employees commute long distances to work for the City.
- *Employee Turnover* – The City faces potential risk of employee turnover in a variety of critical positions due to retirement eligibility, perceived or actual lack of upward mobility, and competitiveness of compensation and benefits in comparison to the cost of living. Employee turnover for any reason creates gaps in institutional knowledge. Succession planning, documenting standard operating procedures and cross training are key considerations for entities facing this dynamic.

Financial

- *Revenue Generation* – Although the City has many sources of revenue, some of which are healthy and stable, the City also relies on economically sensitive revenues such as sales tax and transient occupancy tax. The City has been a hub for the world's top technology firms and owns Levi's Stadium and Convention Center, which bring in visitors to hotels, restaurants, and retail. These visitors and daytime population help feed the sales and transient occupancy taxes. The COVID-19 pandemic has highlighted weaknesses in the reliability of this revenue structure.
- *Funding* – The City faces difficult budget reductions necessary to bring the budget into balance. As a result, some essential accounts, programs, and capital projects remain unfunded.

Compliance/Legal

- *Compliance with Laws, Regulations, and Contracts* – The City has a complex regulatory compliance environment, in which the City must comply with numerous laws and regulations, local ordinances, contracts and grant agreements, and policies and procedures. Failure to track and update relevant laws and regulations may lead to external audit findings, fines, reputational harm and other negative outcomes.
- *Litigation* – The City has been involved in multiple lawsuits and settlements in recent years.

Governance

- *Leadership* – Effective local government governing body and officers must think and act strategically and collaborate with a network of community entities and institutions at the national, state, and local level. Operating in an environment where there are numerous stakeholders and key partners can strain the governance system and impair the ability to meet citizens' needs and organizational objectives.

RISK ASSESSMENT RESULTS

Information Technology

- **Cybersecurity** – Ransomware and malware attacks are growing threats facing all municipal governments. These cyberattacks may result in significant financial losses, costly service disruption, and loss of information. The City faces similar threats on a daily basis and seeks to ensure that its information security practices and controls mitigate these risks.

Department Descriptions and Key Risk Areas

When identifying risks for the City, Baker Tilly considered each department and associated risks. The concerns listed by the interviewees included limited staffing and succession planning, specific accounts or programs with limited or no funding, aged infrastructure, lawsuits, and drought. Based on these concerns, departments' functions, and their inherent risks, Baker Tilly identified the auditable risk areas for each department. Below is an overview of the City's departments and their key risk areas.

City Attorney's Office

The City Attorney's Office provides hearing and trial counsel services and other legal advisory services such as review/negotiation of contracts, preparation of resolutions and ordinances, attendance to all meetings of the City Council, and response to legal inquiries.

Key Risk Areas

- Case management
- Conflict of interest monitoring

City Clerk's Office

The Elected City Clerk administers City elections. The Assistant City Clerk is responsible for various day-to-day operations, including attending and maintaining records of City Council and public meetings; complying with Records Retention Schedule; responding to Public Records Act requests, and administering campaign and disclosure laws.

Key Risk Areas

- Public Records Act compliance
- Records retention program

City Manager's Office

The City Manager's Office supports the City Council with policy decision making, provides direction and support to all City departments, and is responsible for strategic planning, citywide emergency preparedness, economic development, community outreach and engagement, property management, special projects, and implementation of Council direction. It also provides general administration for citywide programs, citywide strategic programs and initiatives (such as sustainability), convention center, and stadium operations.

Key Risk Areas

- Property management
- Convention center operation
- Stadium operation
- Business continuity plan for the City departments

Community Development Department

The Community Development Department's primary objectives are maintenance of the General Plan, proactive land use planning to meet the future needs of the community, delivery of professional services such as development review and permitting and inspection services, and administration of programs related to affordable housing.

Key Risk Areas

- Building permitting & inspection
- Housing inspection
- Development projects review
- Code enforcement
- Affordable housing program

Electronic Utility Department

The Electric Utility Department (Silicon Valley Power, or SVP) owns power generation facilities, has investments in joint ventures that produce electric power, and trades power on the

Key Risk Areas

- Power Purchase Agreements
- Renewable energy programs

RISK ASSESSMENT RESULTS

open market. SVP delivers electricity to the residents and businesses and provides diverse services such as dispatch services to all City departments, outdoor Wi-Fi services, dark fiber leasing service, and energy efficiency programs.

Finance Department

The Finance Department administers the City's financial affairs. Departmental functions include budget; general accounting; financial reporting; collection of taxes, fees, special assessments, and utility charges; investment; procurement; the City Warehouse operations; and debt management.

- Procurement and contract management
- Work Order and Asset Management
- Cybersecurity
- Construction project controls

Key Risk Areas

- Procurement Card Administration
- Vendor master file
- Timesheet processing
- Utility billing and collection process
- Investment management
- Warehouse/inventory management

Fire Department

The Fire Department provides fire and emergency services and organized into Administration and six divisions: Field Operations (first responders providing immediate services); Emergency Medical Services (first responder medical services); Community Risk Reduction (fire prevention activities and hazardous materials regulation by providing plan review and inspection services); Training (State and Federal certification programs); Administrative (grant management, payroll processing, budget development, etc.); Office of Emergency Services (emergency preparedness activities and disaster management plans).

Key Risk Areas

- Overtime
- Field inspection services
- Training
- Emergency medical services

Human Resources Department

The Human Resources Department is responsible for Benefits, Compensation, Recruitment, Testing, Classification, Employee and Labor Relations, Equal Employment Opportunity, Workers Compensation/Safety, and Employee development. The department also negotiates the Memorandum of Understanding agreements with bargaining units.

Key Risk Areas

- Staff development and succession planning for the City departments
- Workers' Compensation and Safety
- Employee records management

Information Technology Department

The Information Technology Department's IT service provider provides most IT services including enterprise computing (City data centers and network), service desk, end-user support, application management, configuration and maintenance of over 150 applications, and security services (including security incident and event management). The City IT employees are responsible for IT governance and budget.

Key Risk Areas

- Cybersecurity Assessment
- Managed Service Provider (MSP) contract management
- Application portfolio management
- Data management

Library Department

The Library Department has three libraries throughout the City and also provides Bookmobile service. It offers physical and digital collection of books/movies/music, technology and information access, literacy instruction, and programming such as young adults activities. The Library Department establishes

Key Risk Areas

- Memorandum of Understanding with the Santa Clara Library Foundation & Friends
- Fee collection
- Purchasing

RISK ASSESSMENT RESULTS

partnerships with community organizations to leverage resources.

Parks and Recreation Department

The Parks and Recreation Department consists of the Parks Division (planning, development, operation, maintenance and rehabilitation of City parks); the Recreation Division (classes and programs); the Cemetery Division (maintaining 33,000 interment sites), and the Senior Nutrition Program Division (a meals program). The Department offers the public with facility rentals, community services, cultural programs, and special events.

Key Risk Areas

- Park infrastructure
- Park revenue

Police Department

The Police Department is broken down into four divisions. The Field Operations Division is comprised of uniformed personnel that respond to calls for service and initiate proactive contacts. The Investigations Division, which includes the Records Unit, handle follow-up investigations and bring cases forth for criminal prosecution. The Special Operations Division oversees law enforcement services for any major event within the city, including Levi's Stadium. The Administrative Services Division encompasses the department's Training Unit, School and Community Services, and 911-Comunucations Center.

Key Risk Areas

- Overtime
- Body-worn camera
- Use of force policies
- Evidence processing and storage
- Case management

Department of Public Works

The Department of Public Works is responsible for design, construction, and maintenance of the City infrastructure. The five divisions for engineering services are Administration, Traffic, Design, Land and Property Development, and Field services divisions. Operation and maintenance is provided by Facilities Services, Streets, and Feet Management divisions.

Key Risk Areas

- Construction project controls
- The Americans with Disabilities Act (ADA) compliance
- Maintenance service requests
- Grant management

Water and Sewer Utilities Department

The Water and Sewer Utilities Department provides planning, design, construction, maintenance, and operation of the City's water distribution system, sewer collection system, and recycled water system. The City jointly owns the San Jose-Santa Clara Regional Wastewater Facility.

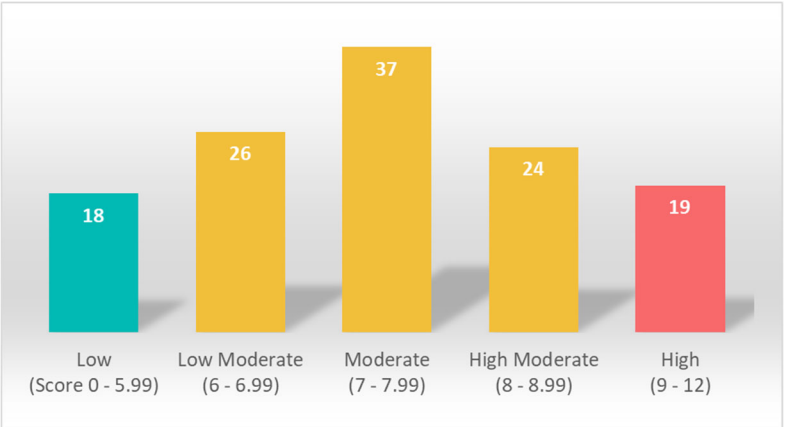
Key Risk Areas

- Construction project controls
- Water conservation and sustainability programs
- Rate setting practices
- Work order and asset management

RISK ASSESSMENT RESULTS

Overall Risk Scoring Distribution

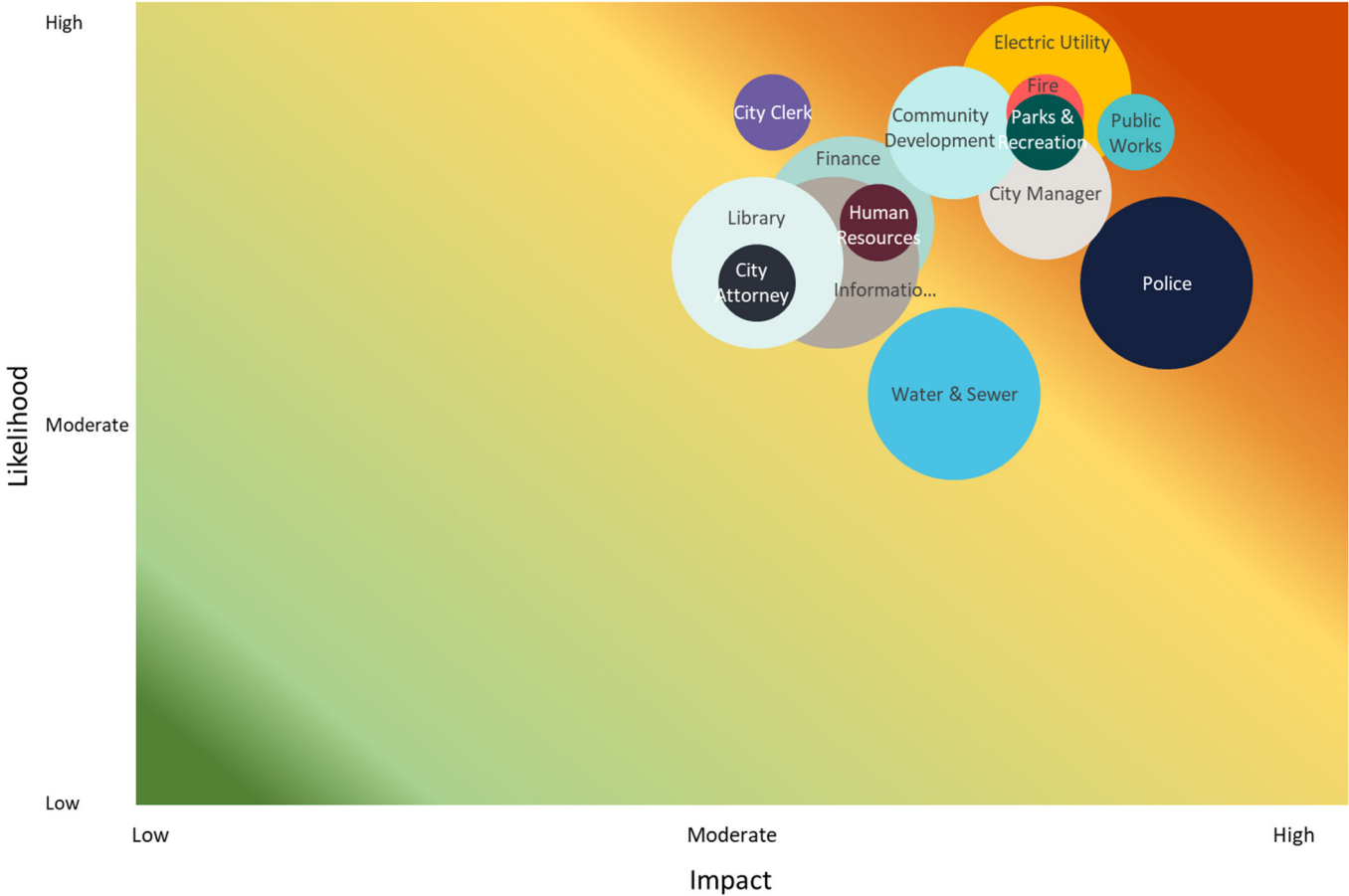
Baker Tilly structured the audit universe based on the department/division/program from the budget document and management's feedback, which resulted in 124 auditable units ([Appendix B](#)). We scored them based on the information gathered for each risk factor related to the likelihood, impact, or fraud. [Appendix A](#) lists the risk factors, definitions, and scoring method. The maximum score for an auditable unit is 12. The following chart shows the distribution of overall risk scoring.



City Department Risk Heat Map

A risk heat map is a common tool to plot risks or auditable units in order to measure their relative risks in terms of impact and likelihood. The risk heat map for the City below illustrates the City's departments based only on the highest risk division/program within each department, and therefore, it represents only 14 out of 124 auditable units. The departments toward the upper right corner of the heat map represent those with higher possibilities of greater effect. The size of a bubble indicates the fraud risk factor score.

Illustration of the departments based on the highest risk division/program within each department



Proposed 2023 - 2024 Audit Plan

Summary

The proposed audits and CAO projects for 2023 through 2024 are listed in the next page. The projects were selected from the auditable units that were rated as High or Moderate as a results of the risk assessment. The selection was made based on some factors such as risk rating, the pervasiveness of the process or control, the audit coverage, the timing of projects, and the value-adding activities that help the City enhance the ability to manage risks, strengthen accountability, and improve efficiency and effectiveness. The proposed projects include the following:

- Efficiency improvement: Building Permitting Process Review
- Capital assets: Construction Project Control Assessment; Work Order Process and Asset Management
- Compliance: Overtime Review; Power Purchase Agreement Review
- Operations: Park Operation Review
- Finance: Procurement Card Administration Review
- IT-related audits: Cybersecurity Assessment; Service Provider Contract Management
- Citywide processes: Succession Planning & Staff Development Review; Record Management and Retention
- CAO project: Risk and Control Matrix

The proposed audit plan consists of a variety of projects for a 24-month period to provide flexibility to adjust the timing of audits. It also incorporates time for an ad hoc project to address a request from the City management, if necessary. The audit plan will be updated based on the results of an annual risk assessment. However, amendments to the approved audit plan may be proposed during a year in response to changes in the City's environment such as organizational structure, operations, risks, systems, and controls.

The preliminary audit objectives are described for each audit listed. These objectives and scope of each audit activity will be further defined based on the result of an audit planning risk assessment process performed at the beginning of each activity.

Also listed in the proposed audit plan are the estimated hours to complete each audit. The budgeted hours should be determined once audit objectives and scope are finalized during the audit planning phase. The current CAO resources are two full-time employees (Internal Audit Manager and a staff member), and their total available hours would be over 3,000 hours per year. However, the CAO's capacity to execute the audit plan is very limited due to the following reasons:

1. The staff member will not be available to execute the internal audit activities due to the responsibility to "audit and approve all bills, invoices, payrolls, demands or charges against the City government before payment", which is required by the Santa Clara City Code Sec. 909 City Auditor⁴.
2. The approval before payment is a control activity in the operational/transactional process. According to Standard 1130 of the IIA Standards⁵, it would be an impairment to organizational independence and individual objectivity if the staff member performs an audit of the processes related to her approvals.
3. The Internal Audit Manager who supervises the internal audit staff also performs the same tasks whenever the staff member cannot perform the approval and other related duties.

It is recommended that the City evaluate the current roles and responsibilities of the CAO and take the appropriate action(s) to ensure that the CAO will achieve its mission and help the City improve the effectiveness of risk management, control, and governance processes.

⁴ The Charter of the City of Santa Clara Article IX Officers and Employees, Sec. 909 City Auditor ([CHARTER OF THE CITY OF SANTA CLARA \(codepublishing.com\)](https://www.santacleara.gov/codepublishing.com))

⁵ Standard 1130.A1 states. "Internal auditors must refrain from assessing specific operations for which they were previously responsible. Objectivity is presumed to be impaired if an internal auditor provides assurance services for an activity for which the internal auditor had responsibility within the previous year."

Proposed Audit Plan for 2023 and 2024

Department	Project Title	Preliminary Audit Objectives	Estimated Hours
Electric Utility Department	Cybersecurity assessment	<ul style="list-style-type: none"> • Map current state security capabilities to the NIST Cybersecurity Framework and/or other industry specific frameworks and evaluate the maturity of current security processes • Identify current risks related to weaknesses in the City's cybersecurity program • Identify target state objectives utilizing the Capability Maturity Model (CMMI) and develop recommendation to meet the objectives 	650
Information Technology Department			
Finance Department	Procurement card administration	<ul style="list-style-type: none"> • Determine whether procurement cards are administered to ensure that only the authorized users can make purchases in accordance with the requirements and guidelines. • Determine whether internal controls over procurement card transactions are in place and working effectively to prevent and detect errors and irregularities, including duplicate, unauthorized, or improper transactions. 	330
Community Development Department	Building permitting process	Assess the efficiency and effectiveness of the building permitting process	360
Library Department	Memorandum of Understanding (MOU) with the Santa Clara Library Foundation & Friends	Determine whether the internal controls to monitor the compliance with the MOU requirements are in place and working effectively	240
Department of Public Works	Construction project control assessment	Determine whether internal controls over construction projects are adequate and working effectively	300
CAO project / Citywide	Risk and control matrix	Create a risk and control matrix for each department to be utilized for future discussion and review of the City's control environment	840
TBD	Ad Hoc Requests	TBD	200
Sub Total - 2023			2,920
Information Technology Department	Managed Service Provider (MSP) contract management	Determine whether the City proactively manages its cybersecurity risk and collaborates with its MSP to jointly reduce the risk by defining roles/responsibilities and expectations such as security controls and incident response plans and by monitoring of MSP's access and activities.	400
Police Department	Public safety personnel overtime	<ul style="list-style-type: none"> • Determine whether adequate policies and procedures are in place to ensure the appropriate usage of overtime for the public safety personnel. • Determine whether the overtime practice and reporting comply with the City's policies and procedures. 	300
Fire Department			
Electric Utility Department	Power purchase agreements	<ul style="list-style-type: none"> • Assess the process for evaluating and entering into power purchase agreements. • Assess the effectiveness of the internal controls in overseeing the power purchase agreements 	370
Parks & Recreation Department	Park operation	<ul style="list-style-type: none"> • Determine whether the internal controls over the maintenance of parks are working effectively. • Determine whether the internal controls over fee collection are working effectively. 	380
City Manager's Office	Property management	Evaluate the efficiency and effectiveness of the City's property management	240
Water and Sewer Utilities Department	Work order process and asset management	Determine whether the internal controls over the work order process are adequate and working effectively.	420
City Clerk's Office	Record management and retention program	<ul style="list-style-type: none"> • Determine whether citywide record management and retention policies and procedures are properly established in accordance with laws and regulations • Determine whether internal controls are working effectively to ensure compliance with the record management and retention policies and procedures 	300
Human Resources / Citywide	Citywide succession planning and staff development	<ul style="list-style-type: none"> • Determine whether adequate policies and procedures are in place to development and maintain succession plans to ensure continuity in key positions for all departments • Determine whether coaching and development programs are in place to ensure that the successors are prepared to assume positions when necessary 	300
TBD	Ad Hoc Requests	TBD	200
Sub Total - 2024			2,910
TOTAL - 2023 & 2024			5,830

Appendices

Appendix A: Risk Factor Definitions

Factor	Definition	Weight
Impact Factors (the effect on the organization)		
Magnitude	A measure of materiality based on pervasiveness or volume of dollars or transactions; Scores based on the budgeted expenditure amount Extreme - 5: \$50M or more Material - 4: \$10M or more; Less than \$50M Significant - 3: \$3M or more; Less than \$10M Moderate - 2: \$1M or more; Less than 3M Inconsequential - 1: Less than \$1M Added 1 to the magnitude of the Information Technology Department due to the pervasive nature of its work	30%
Customer / Resident Experience	Negative experience by customers and residents, such as perceived or actual safety concerns and unsatisfactory services, impacts negatively on the reputation / credibility of the organization Extreme - 5: Direct impact on health and safety Material - 4: Direct impact on transparency Significant - 3: Direct impact on customer satisfaction/City's reputation Moderate - 2: Indirect impact on customer satisfaction/City's reputation Inconsequential - 1: Immaterial impact on reputation / credibility	35%
Achievement of Organizational Goals	The greater the effect that a department or process has on the organization meeting strategic objectives and goals, the greater the related risks Extreme - 5: Directly relates to the City Council Priorities Material - 4: Supports the function/process directly related to the City Council Priorities Significant - 3: Has performance/workload measures related to Strategic Pillars Moderate - 2: Somewhat relates to the organizational goals Inconsequential - 1: Does not relate to City's priorities and goals	35%
HIGHEST TOTAL SCORE FOR IMPACT: 5		100%
Likelihood Factors (the probability of the risk occurring)		
Complexity	A measure of the difficulty in performing a process or function. As a process or function becomes more complex, the greater the opportunity for errors 5 - Very high complexity 4 - High complexity 3 - Medium complexity 2 - Low complexity 1 - Very low complexity	25%
Policies and Procedures	Policies and Procedures are a complete set of written instructions that guide personnel in the successful execution of their duties and the duties of the office for which they work. If the policies and procedures are adequate and up-to-date, a risk is lower 5 - No or little written P&P 4 - Some written P&P 3 - Basic P&P requiring improvements 2 - Adequate but outdated P&P 1 - Adequate and up-to-date P&P or Not Applicable	10%
Regulatory Compliance	Measures the existence of and potential noncompliance with, government regulations and other applicable laws, standards, and policies/procedures 5 - Requirements to meet more than a few laws/regulations and professional standards specific to the division's responsibilities 3 - Requirements to meet one or two laws/regulations and professional standards specific to the division's responsibilities 1 - No requirement to meet any laws/regulations or professional standards specific to the division's responsibilities	25%
Monitoring	Consider the existence of monitoring activities, including the results of last audits by Internal Auditor, External Auditor, Regulators, etc. and other known deficiencies 5 - Overall, there is no mechanism to monitor the status of performance goals/compliance requirements 4 - For only some significant performance goals/compliance requirements, there is an annual or semi-annual reporting, management review process and/or audits by an external party to identify the status of performance goals/compliance requirements 3 - For all significant performance goals/compliance requirements, there is an annual or semi-annual reporting, management review process and/or audits by an external party to identify the status of performance goals/compliance requirements 2 - For only some of significant performance goals/compliance requirements, there is a periodic (weekly/monthly/quarterly) reporting process to ensure performance goals/compliance requirements are met 1 - For all significant performance goals/compliance requirements, there is a periodic (weekly/monthly/quarterly) reporting process to ensure performance goals/compliance requirements are met	10%
Specific Risks	Consider the existence of specific risk events/conditions and their significance 5 - Identified risk event(s)/condition(s) seem to significantly affect the likelihood 3 - Identified risk event(s)/condition(s) seem to have some impact on the likelihood 1 - No or very minor risk event(s)/condition(s) have been identified	30%
HIGHEST TOTAL SCORE FOR LIKELIHOOD: 5		100%
Other Risk Factor		
Fraud Schemes	Consider the susceptibility to fraud, which is the opportunity for employees/vendors/customers/fraudsters to misappropriate resources or defraud the organization* 5 - High Risk 3 - Moderate Risk 1 - Low Risk	40%
HIGHEST TOTAL SCORE FOR OTHER: 2		40%
HIGHEST TOTAL SCORE 12		

* Considered fraud schemes listed in the Fraud Tree provided in the "Occupational Fraud 2022: A report to the Nations" by Association of Certified Fraud Examiners. Also considered are cyber fraud schemes.

Appendix B: Audit Universe

City Attorney's Office

- Administration
- Litigation

City Clerk's Office

- Assistant City Clerk - Council/Administration Support
- Assistant City Clerk - Public Information/Legislation Records Management
- Assistant City Clerk - Political Reform Act
- Elected City Clerk - Election

City Manager's Office

- City Council Support - Policy Support for Decision Making
- City Council Support - Intergovernmental Relations & Advocacy
- Leadership and Management Services - Day to Day Operations
- Leadership and Management Services - Strategic Planning
- Leadership and Management Services - Community Outreach & Engagement
- Citywide Programs
- Stadium Operations
- Citywide Strategic Programs & Initiative
- Convention Center

Community Development Department

- Planning- Development Review
- Planning- Advanced Planning
- Planning- Historical Preservation
- Planning- Code Enforcement
- Building - Plan Review
- Building - Permit Services
- Building - Field Inspection
- Building - Code Enforcement
- Housing Inspection
- Housing and Community Services - Federal State Grant
- Housing and Community Services - Neighborhood Conservation and Improvement Program
- Housing and Community Services - Tenant Based Rental Assistance Program (Funded by HUD HOME)
- Housing and Community Services - Below Market Rate Rental Program (BMR)
- Housing and Community Services - Below Market Rate Purchase Program (BMP)
- Housing and Community Services - Community Development Housing Successor Fund
- Housing and Community Services - Housing Development Lending (Various Funds)

Electronic Utility Department

- Business Services - Rates and Budget
- Business Services - Electric Compliance
- Business Services - Risk Management
- Customer Develop. & Project Man. - Key Accounts
- Customer Develop. & Project Man. - Fiber Program
- Customer Develop. & Project Man. - SVP Engineering
- Resource Planning & Engagement - Public Benefits
- Resource Planning & Engagement - SVP Electric Vehicle Program
- Resource Planning & Engagement - Greenhouse Gas Program
- Resource Planning & Engagement - Resource Management
- Utility Operations - SVP Systems Support
- Utility Operations - Power System Controls
- Utility Operations - Communications & Meter Technical Support
- Utility Operations - Substation Maintenance
- Utility Operations - Transmission & Distribution
- Utility Operations - Generation

Finance Department

- General Accounting
- Citywide Fiscal Planning & Administration
- Budget & Financial Analysis
- Municipal Services - Utility Billing Services
- Municipal Services - Revenue Receipt-Cashiering
- Municipal Services - Business Certificate
- Municipal Services - Field Service

- Municipal Services – Administration
- Municipal Services - Contact Center/Communication
- Purchasing
- Purchasing - Warehouse

Fire Department

- Administration
- Community Risk Reduction - Prevention and Hazardous Materials
- Community Risk Reduction - Certified United Program Agency (CUPA)
- Emergency Medical Services
- Field Operations
- Office of Emergency Services
- Training

Human Resources Department

- Employee Benefits and Records – Compensation
- Employee Benefits and Records - Workers' Compensation & Safety
- Recruitment, Classification and Staff Development - Selection and Classification
- Recruitment, Classification and Staff Development - Labor Relations

Information Technology Department

- Enterprise Services - Application Services
- Enterprise Services - IT Web Services
- Enterprise Services - GIS Services
- Infrastructure and Support
- Contract Services
- Telecommunication Services

Library Department

- Administration
- Adult Services
- Branch Services - Mission Library
- Branch Services - Northside Branch
- Branch Services - Bookmobile & Mobile Library Services
- Customer Services
- Technical and Technology Services
- Youth Services

Parks and Recreation Department

- Administration
- Parks
- Recreation
- Cemetery

Police Department

- Administrative Services - Administration
- Administrative Services - Professional Standards
- Administrative Services - Departmental Support
- Administrative Services - Community Services
- Administrative Services - 911 Dispatch/Communications
- Field Operations - General Patrol
- Field Operations – Traffic
- Field Operations - Emergency Response/Temporary Holding Facility
- Investigations - General Investigation
- Investigations - Special Enforcement Team
- Investigations – Records
- Special Operations – General
- Special Operations - Specialized Teams
- Special Operations - Reserves

Department of Public Works

- Engineering – Traffic
- Engineering – Design
- Engineering - Land and Property Development
- Engineering - Field Services
- Facility Services
- Fleet Management
- Streets

Water and Sewer Utilities Department

- Recycled Water Program - System Maintenance
- Recycled Water Program - Storm Pump Maintenance
- Sewer - System Administration
- Sewer - System Maintenance
- Sewer – Operations
- Sewer - San Jose-Santa Clara Water Pollution Control Plant
- Sewer - Storm Pump Maintenance
- Solar Utility - System Maintenance
- Water Engineering - Admin Design
- Water Engineering - Water Quality
- Water Engineering - Water Resources
- Water Construction, Maintenance, Operations - Water System Maintenance
- Water Construction, Maintenance, Operations - Water Construction
- Water Construction, Maintenance, Operations - Water System Operations



Agenda Report

23-815

Agenda Date: 6/27/2023

REPORT TO COUNCIL AND STADIUM AUTHORITY BOARD

SUBJECT

Action to Authorize the City Manager to Negotiate and Execute a One-Year Municipal Law Enforcement Services Agreement Between the City of Santa Clara and the City of Milpitas for Supplemental Law Enforcement Services at Levi's Stadium Events; Action on a Resolution Delegating Authority to the City Manager to Negotiate and Execute Future Indemnity Agreements and Municipal Law Enforcement Services Agreements Between the City of Santa Clara and Other Public Safety Agencies for "Double-Badgers" or Supplemental Law Enforcement Services

COUNCIL PILLAR

Ensure Compliance with Measure J and Manage Levi's Stadium

BACKGROUND

Prior to the opening of Levi's Stadium in 2014, the Santa Clara Police Department (SCPD) worked with the National Center for Spectator Sports Safety and Security and the Department of Homeland Security to develop comprehensive safety and traffic management plans for the venue and surrounding area. It is the City of Santa Clara's obligation to provide public safety services within its jurisdictional boundaries, including at Levi's Stadium.

Through the planning process, the Police Department acknowledged the City's organization did not have the specialized expertise (e.g., ability to close highway off-ramps and corresponding traffic management skills), resources (e.g., air operations, crowd control, SWAT, etc.), and volume of sworn and civilian personnel necessary to implement these plans. As a result, agreements were formed with local, State and federal law enforcement partners to provide these additional services.

The Police Department relies heavily on sworn and civilian professionals to provide a safe and enjoyable experience for stadium personnel, athletes/entertainers, event attendees, surrounding businesses, and nearby residents. The staffing needs vary from event to event based on event type, day of the week, time of the day, anticipated attendance, dignitaries present, intelligence gathered from similar events, etc.

DISCUSSION

Law Enforcement Services Agreements

As the lead law enforcement agency, the Police Department secures local, State and federal resources, as necessary, to mitigate traffic congestion for event patrons and local traffic, provide a safe venue for attendees, performers and stadium personnel as well as to deter intrusion into neighborhoods while maintaining access to adjacent business properties.

Currently, the Police Department has various Indemnity Agreements with multiple agencies

throughout California to provide Per Diem Special Event Police Officers (e.g., Campbell, Gilroy, Los Altos, Los Gatos, Milpitas, Morgan Hill, Palo Alto, Santa Cruz, etc.) to augment the staffing for events at Levi's Stadium. These Per Diem employees proceed through a complete application, interview, background and training process as well as purchase the City's uniform to be hired by the City of Santa Clara to work special events as a peace officer at a flat rate of \$75 per hour. Commonly referred to as "double badgers," the Police Department currently has approximately 154 employees in this classification. While this is a significant number, the demands within each employees' home agency take precedence over working for the City's Police Department. Certain times of year (e.g., summer) and special occasions (e.g., New Year's Eve, Super Bowl Sunday, Fourth of July, Christmas, etc.) are also inherently challenging to staff in law enforcement and tend to be busiest with calls for service. Under the Indemnity Agreements, Santa Clara takes on the financial responsibility associated with any third-party claims arising from the double-badger's actions while working at the stadium including defense and indemnity of the double-badger's home agency if that agency is also named in the claim.

In addition to hiring Per Diem Special Event Officers through the process described above, the City also obtains personnel from surrounding jurisdictions by entering into Municipal Law Enforcement Services Agreements with local agencies for specified services (e.g., personnel, helicopter, mounted unit, K-9 team, tactical vehicles, equipment, etc.) associated with special events at Levi's Stadium. At present, the following Municipal Law Enforcement Service Agreements are in place:

- California Highway Patrol
- Monterey County Sheriff's Office
- San Francisco County Sheriff's Office
- Santa Clara County Sheriff's Office
- Sunnyvale Department of Public Safety

Proposed Municipal Law Enforcement Services Agreement with Milpitas

Staff proposes to enter into a Municipal Law Enforcement Services Agreement with Milpitas to allow personnel in various classifications, as called upon and available, to provide supplemental special detail law enforcement services for events taking place at the stadium and surrounding areas. The agreement also allows for the Milpitas Police Department personnel responding to requests for services to transmit and broadcast communications on the Santa Clara Police Department's dispatch frequency, licensed by the Federal Communications Commission. Staff aims to have this Agreement in place for the July 2nd events. Due to the timing constraints, the parties have not been able to finalize the Agreement in advance of agenda publication, hence the request for authority to negotiate and execute the agreement. A draft version of the standard agreement is attached and contains highlighted portions currently under negotiation, including:

- Milpitas has requested that Santa Clara take on the financial responsibility for any and all workers compensation related expenses that arise from one of their officers being injured while performing services under the Agreement
- Milpitas has requested that Santa Clara take on the financial responsibility for defense and indemnity of Milpitas and their employee officers in the event a third party claim arises from a Milpitas officer's actions while performing services under the Agreement
- The rates Milpitas proposes for their various personnel

In prior similar agreements with other agencies, Santa Clara has not agreed to accept liability for either workers compensation claims or third-party claims, as is reflected in the standard contract language; we cannot quantify what the measure of that liability is at this time, but theoretically it could be significant, and would be more significant in the future if other agencies seek similar clauses. The City Manager's Office will take such considerations into account and proceed accordingly.

Delegation of Authority for Future Agreements

Staff anticipates that the need for execution of both Indemnity Agreements and Municipal Law Enforcement Services Agreements in an expeditious fashion will continue. There are times in which a neighboring agency informs SCPD of their willingness to provide personnel for an event just a couple of few weeks in advance of the event date. To avoid a scenario in which Stadium event staffing is negatively impacted as a result of the timing of this notice and council meeting schedules, staff recommends the Council delegate authority to the City Manager by resolution to negotiate and execute such agreements in the future.

The authority of the City Council to contract with neighboring cities for the provision of supplemental police services derives from the City Charter as well as state law, as follows:

City Charter Sec. 1108 Contract for administrative services.

The City Council, upon recommendation of the City Manager, may contract with the governing body of any other city, or county within this state, or with any state department, or with any private or governmental agency for the furnishing of administrative, fiscal, or personnel services.

Government Code Sec. 55632

The legislative body of any local agency may contract with any other local agency for the furnishing of fire or police protection to such other local agency.

Government Code Sec. 54981

The legislative body of any local agency may contract with any other local agency for the performance by the latter of municipal services or functions within the territory of the former.

The Council may delegate to or require the City Manager to perform this contract approval function (City Charter Sec. 802(h)).

The Santa Clara Stadium Taxpayer Protection and Economic Progress Act, commonly referred to as Measure J, requires all public safety costs related to stadium operations to be reimbursed to the City. In addition, in accordance with the contractual arrangements between the City, Stadium Authority and the team, the team reimburses the City for public safety related expenses incurred for NFL events. For non-NFL Events, the cost of public safety (including the costs charged by our public safety partners such as Milpitas Police Department) are charged against the net non-NFL revenues of the Stadium Authority.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

FISCAL IMPACT

This agreement allows the Milpitas Police Department to provide support services for Levi’s Stadium, as requested and available.

Any expenses incurred by the City for the use of the Milpitas Police Department personnel at NFL events would be billed by the City to the Forty Niners, in accordance with the applicable contracts and with Measure J. For non-NFL events, the expenses are deducted from the Stadium Authority’s net non-NFL revenues.

COORDINATION

This report was coordinated with the Finance Department and City Attorney’s Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City’s official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City’s website and in the City Clerk’s Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk’s Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Authorize the City Manager to Negotiate and Execute a One-Year Municipal Law Enforcement Services Agreement Between Santa Clara and the City of Milpitas Police Department for Supplemental Law Enforcement Services at Levi’s Stadium Events in a form approved by the City Attorney
2. Adopt a Resolution Delegating Authority to the City Manager to Negotiate and Execute Future Indemnity Agreements and Municipal Law Enforcement Services Agreements, in a form approved by the City Attorney, Between the City and other Public Safety Agencies for “Double-Badgers” or Supplemental Law Enforcement Services

Reviewed by: Pat Nikolai, Chief of Police

Approved by: Jōvan D. Grogan, City Manager

ATTACHMENTS

1. Draft Standard Municipal Law Enforcement Services Agreement (highlighted terms currently under negotiation)
2. Resolution

MUNICIPAL LAW ENFORCEMENT SERVICES AGREEMENT

**by and between the
THE CITY OF SANTA CLARA,
and
THE CITY OF MILPITAS**

PREAMBLE

This agreement for the performance of municipal law enforcement services (“Agreement”) is made and entered into on this _____ day of June, 2023, (“Effective Date”) by and between the City of Milpitas, 455 E. Calaveras Blvd., Milpitas, CA 95035 (“Agency”) and the City of Santa Clara, a chartered municipal corporation, located at 1500 Warburton Avenue, Santa Clara, California 95050 (“City”). City and Agency may be referred to individually as a “Party” or collectively as the “Parties” to this Agreement.”

RECITALS

- A. City is desirous of contracting with Agency for the performance of the law enforcement functions described herein.
- B. Agency is agreeable to rendering such law enforcement services pursuant to the terms and conditions set forth in this Agreement.
- C. Pursuant to the authority set forth in Government Code sections 54981 and 55632, and City Charter Section 1108, City seeks additional law enforcement services, and Agency agrees to provide additional law enforcement services on a periodic basis.

The Parties agree as follows:

AGREEMENT PROVISIONS

1. SERVICES TO BE PROVIDED.

- A. Agency agrees, as available, to provide supplemental special detail law enforcement services for events taking place at the Stadium site and surrounding areas within City’s jurisdictional boundaries during the term of this Agreement. The classification and approximate numbers of personnel provided by Agency will be determined and mutually agreed upon, in writing, between Agency and the Santa Clara Chief of Police prior to each event. The Parties shall establish and agree to the number of hours necessary for the Agency employees to perform the requested services. City herein provides consent, pursuant to Penal Code section 830.1(a)(2), for any Agency peace officer providing services hereunder to exercise full peace officer authority within the City’s jurisdiction.

- B. Except as otherwise specifically set forth, such services shall only encompass duties and functions of the type coming within the jurisdiction of, and customarily rendered by, Agency under its Charter and/or municipal codes, and the statutes of the State of California, and under the Charter and municipal codes of the City of Santa Clara.
- C. For special detail officers, the request for services shall be a written request from the Santa Clara Police Chief or his/her designee. The request shall contain specific dates of service, hours of operation, number of personnel requested, and classification of personnel requested. For the purpose of performing said services, Agency shall furnish and supply, as available, all necessary labor, supervision, personnel, helicopters, tactical vehicles, equipment, fuel, and supplies necessary to provide the services to be rendered hereunder. The City acknowledges that additional equipment charges for special equipment such as helicopters, tactical vehicles, equipment, fuel, and supplies may be appropriate depending upon the services requested and may be charged by Agency as above and beyond the authorized pay rate for personnel. The request shall be signed by a representative of the City who is duly authorized to enter into such agreements for supplemental law enforcement services. The request shall be submitted via email to Agency specified contact.
- D. The City hereby grants to Agency and its personnel responding to requests for services herein the right to transmit and broadcast communications to the Santa Clara Police Department's units via the Santa Clara Police Department's designated dispatch frequency and/or any other law enforcement frequency for which the City of Santa Clara is licensed by the FCC.
- E. Mutual aid agreements pursuant to the California Emergency Plan (Government Code §§ 8550 et seq.) and the Master Mutual Aid Agreement: If any mutual aid agreement(s) currently in place are triggered during any performance of services under this Agreement, the mutual aid agreement(s) shall govern all necessary personnel and/or tactics.

2. ADMINISTRATION OF PERSONNEL.

- A. In the event of a dispute between the Parties to this Agreement as to the extent of the duties and functions to be rendered hereunder, or the minimum level or manner of performance of such service, the City shall be consulted and a mutual determination thereof shall be made by both Agency and the City in consultation with the City of Santa Clara's Chief of Police.
- B. The rendition of the services performed by Agency, the discipline of its officers, and other matters incident to the performance of such services and the control of personnel so employed shall remain with Agency.
- C. With regard to sections A. and B., if there remains a disagreement as to the minimum level of services for a particular event, the Parties agree that the Santa

Clara Chief of Police shall have final and conclusive determination of levels of service provided by Agency's officers.

- D. All City employees who work in conjunction with Agency pursuant to this Agreement shall remain City employees, are not Agency employees, and have no claim or right to any Agency employment benefits or policies. Similarly, all Agency employees who work in conjunction with City pursuant to this Agreement shall remain Agency employees, are not Santa Clara Stadium Authority ("Authority") and/or City employees, and have no claim or right to any such employment benefits or policies.
- E. Neither Authority nor City shall be called upon to assume any liability for the direct payment of any Agency salaries, wages, or other compensation to any Agency personnel performing services hereunder. Except as herein otherwise specified, neither Authority nor City shall be liable for compensation or indemnity to any Agency employee or agent for injury or sickness arising out of his/her status as a contract agent of the Authority and/or City.

3. COMPENSATION AND PAYMENT.

- A. The City, shall pay Agency for the services it provides under the terms of this Agreement **at the rates established hereunder**, as they may be amended from time to time. The rates listed below may be periodically adjusted effective July 1 of each year to a mutually agreed upon rate. In such case, the annual rate adjustment shall be attached to this Agreement as Exhibit A to reflect the change in rates each fiscal year. The Parties specifically agree that such adjustment and change in Exhibit A each year is a valid amendment to this Agreement, and that no formal Amendment form need be used for such annual rate adjustment. The Parties will separately execute Exhibit A each year, or whenever there is a change in Exhibit A rates.
- B. For and in consideration of Agency providing supplementary law enforcement services for the Authority and/or City under this Agreement, the City agrees to pay Agency for said services at the hourly rates as indicated in Exhibit A.

The rates in Exhibit A are developed by the Agency. These rates are designed to reimburse Agency's costs in the compensation of employees, the administration of workers' compensation benefits, and the Agency's overhead attributable to providing the services identified in this Agreement, and as they may be amended from time to time.

4. PAYMENT PROCEDURES.

- A. On a monthly basis, Agency shall submit a summarized invoice which covers all services performed during said month, to the City, and the City shall pay Agency for all undisputed amounts within thirty (30) days after date of said invoice.

- B. If such payment is not delivered to Agency within thirty (30) days after the date of the invoice, Agency is entitled to recover interest thereon. Said interest shall be at a rate of five percent (5%) per annum or any portion thereof, calculated from the date payment was due.
- C. For all disputed amounts, City shall provide Agency with written notice of the dispute including the invoice date, amount, and reasons for dispute within ten (10) days after receipt of the invoice. The Parties shall memorialize the resolution of the dispute in writing. For any disputed amounts, interest shall accrue at the rate stated in subsection B, above, if payment is not received within thirty (30) days after the dispute resolution is memorialized.

5. CANCELLATION OF PERSONNEL.

- A. Neither the City nor the Authority shall be charged for cancellations made more than 24 hours prior to the scheduled event/assignment.
- B. The City agrees that if cancellation is made within 24 hours prior to the scheduled event/assignment and the assigned Agency officer cannot be notified of such cancellation, City shall reimburse Agency a minimum of four (4) hours of compensation for each assigned officer pursuant to the rates identified herein.
- C. Agency agrees to make all reasonable efforts to notify its assigned officer(s) of the cancellation.

6. TERM OF AGREEMENT.

- A. The term of this Agreement shall commence upon execution by the Parties and shall continue for a period of one (1) year, unless terminated sooner or extended in whole or in part as provided for herein.

7. TERMINATION.

- A. Either Party may terminate this Agreement with or without cause by giving not less than sixty (60) days advance written notice to the other Party.
- B. Notwithstanding the foregoing, Agency may terminate the Agreement on only twenty (20) days advance notice, or less in the event of exigent circumstances, if Agency concludes that there are insufficient personnel to provide the agreed upon services and still perform other Agency duties as required by law.
- C. In the event of a termination, each Party shall fully discharge all obligations owed to the other Party accruing prior to the date of such termination, and, except as otherwise provided herein, each Party shall be released from all obligations, which would otherwise accrue subsequent to the date of termination.

8. FAIR EMPLOYMENT.

While in the performance of services under this Agreement, Agency and its employees and agents shall not discriminate against any other employee or agent because of race, color, creed, national origin, gender, sexual orientation, age, disability, religion, ethnic background, or marital status, in violation of state or federal law.

9. HOLD HARMLESS/INDEMNIFICATION.

- A. For purposes of indemnification, each Party shall be responsible for the acts of its participating employee(s) and shall incur any liabilities arising out of the service and activities of those employees.
- B. Any Agency employee who performs duties under this Agreement shall be deemed to be continuing under the general employment of his or her respective jurisdiction and shall have the same powers, duties, privileges, responsibilities, and immunities as are conferred upon such employee by law in his or her own jurisdiction. Pursuant to Insurance Code Section 11663, the general employer shall be responsible for the entire cost of any worker's compensation payable on account of injury occurring in the course of and arising out of general and special employments.
- C. Pursuant to Government Code Section 895.4, each of the parties hereto shall fully indemnify and hold each of the other parties, their officers, employees, and agents, harmless from any damage or liability imposed for injury (as defined in Government Code Section 810.8) occurring by reason of negligent acts or omissions or willful misconduct of the indemnifying party, its officers, employees or agents, under or in connection with any work performed or authority delegated to such party under this Agreement. No party, nor any officer, employee or agent thereof shall be responsible for any damage or liability occurring by reason of the negligent acts or omissions or willful misconduct of the other parties hereto, their officers, employees or agents, under or in connection with any work performed or authority delegated to such other parties under this Agreement.

10. ASSIGNMENT, DELEGATION, AND SUBCONTRACTING.

A Party shall not assign its rights and/or subcontract, or otherwise delegate, its duties under this Agreement, either in whole or in part, without the prior written consent of the other Party, and any attempted assignment or delegation without such consent shall be null and void.

11. INTEGRATED DOCUMENT.

This Agreement represents the entire agreement between City and Agency. No other understanding, agreements, or conversations with any representative of either Party prior to execution of this Agreement shall affect or modify any of the terms or obligations of this Agreement. Any verbal agreement shall be considered unofficial information and is not binding upon either Party.

12. SEVERABILITY AND WAIVER.

In case any one or more of the provisions in this Agreement shall, for any reason, be held invalid, illegal or unenforceable in any respect, it shall not affect the validity of the other provisions, which shall remain in full force and effect. Agency agrees that waiver by City of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement.

13. NOTICES.

All notices to the Parties shall, unless otherwise requested in writing, be sent to City as follows:

City of Santa Clara
Attn: Chief of Police
601 El Camino Real
Santa Clara, CA 95050
or by email at manager@santaclaraca.gov

And to Agency addressed as follows:

City of Milpitas
Attn:

If notice is sent via email, a signed, hard copy of the material shall also be mailed. The workday the email was sent shall control the date notice was deemed given. An email transmitted after 1:00 p.m. on a Friday shall be deemed to have been transmitted on the following Monday.

14. LAW GOVERNING CONTRACT AND VENUE.

This Agreement shall be governed and construed in accordance with the statutes and laws of the State of California. The venue of any suit filed by either Party shall be vested in the state courts of the County of Santa Clara.

[Signatures on next page.]

The Parties acknowledge and accept the terms and conditions of this Agreement as evidenced by the following signatures of their duly authorized representatives. It is the intent of the Parties that this Agreement shall become operative on the Effective Date.

**CITY OF SANTA CLARA, CALIFORNIA,
a chartered California municipal corporation**

APPROVED AS TO FORM:

GLEN R. GOOGINS
City Attorney

JÖVAN D. GROGAN
City Manager
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

“CITY”

CITY OF MILPITAS

APPROVED AS TO FORM:

MICHAEL MUTALIPASSI
City Attorney

City Manager

“AGENCY”

MUNICIPAL LAW ENFORCEMENT SERVICES AGREEMENT
by and between the
THE CITY OF SANTA CLARA,
and
CITY OF MILPITAS

EXHIBIT A

[Insert Rates]

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA
DELEGATING AUTHORITY TO THE CITY MANAGER TO
NEGOTIATE AND EXECUTE INDEMNITY AGREEMENTS AND
MUNICIPAL LAW ENFORCEMENT SERVICES AGREEMENTS**

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, it is the City of Santa Clara's obligation to provide public safety services within its jurisdictional boundaries, including at Levi's Stadium;

WHEREAS, in order to provide the sufficient number of sworn and non-sworn personnel, the City contracts with neighboring agencies to provide same (pursuant to Government Code Sections 55632, 54981, and City Charter Section 1108) to work at the Stadium and in surrounding areas on event days;

WHEREAS, generally the form of the agreement with the neighboring agency will be either an Indemnity Agreement when the agency is permitting their staff to act in a "double-badge" capacity for the City, or a Municipal Law Enforcement Services Agreement when the agency is providing staff who will be performing services under the umbrella of their home agency;

WHEREAS, currently if the neighboring agency agrees to provide personnel at a time when Council is not in session, or the contract cannot be brought to Council for approval prior to the event day for some other reason, the City risks having insufficient public safety staffing for the event; and

WHEREAS, in order to ensure that such timing considerations do not negatively impact the City's ability to contract for the necessary public safety staffing, the City Council wishes to delegate authority to the City Manager to negotiate and execute Indemnity Agreements and Municipal Law Enforcement Services Agreements for public safety services on behalf of the City.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. That the City Manager is hereby authorized to negotiate and execute Indemnity

Agreements and Municipal Law Enforcement Services Agreements on behalf of the City of Santa Clara, in a form approved by the City Attorney's Office, for public safety services performed at or around Levi's Stadium on event days.

2. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE ____ DAY OF _____, 2023, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: _____
NORA PIMENTEL, MMC
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference: None



Agenda Report

23-144

Agenda Date: 6/27/2023

REPORT TO COUNCIL

SUBJECT

Public Hearing: Action on the Adoption of the Proposed FY 2023/24 & FY 2024/25 Biennial Operating Budget and FY 2023/24 Capital Improvement Program Changes

COUNCIL PILLAR

Enhance Community Engagement and Transparency

BACKGROUND

City Charter Section 1302 (Budget - Submission to City Council) requires that at least 35 days prior to the beginning of each fiscal year, or at such prior date thereto determined by the City Council, the City Manager shall submit to the City Council the proposed budget. The Proposed Budget is attached to this Report to Council and can be found online at:

[<https://www.santaclaraca.gov/home/showpublisheddocument/80482/638182746058823294>](https://www.santaclaraca.gov/home/showpublisheddocument/80482/638182746058823294).

Study sessions were held on May 9, 2023 and June 6, 2023 to allow the City Council and public to review and provide input on the budget amendment to the Proposed FY 2023/24 and FY 2024/25 Biennial Operating Budget, and Proposed FY 2023/24 Capital Improvement Program budget changes. The June 6, 2023 study session also included follow-up from the May 9, 2023 study session.

The City Council has adopted the following Council Strategic Pillars:

1. Promote and Enhance Economic, Housing and Transportation Development
2. Deliver and Enhance High Quality Efficient Services and Infrastructure
3. Enhance Community Sports and Recreational and Arts Assets
4. Enhance Community Engagement and Transparency
5. Ensure Compliance with Measure J and Manage Levi's Stadium
6. Manage Strategically Our Workforce Capacity and Resources
7. Promote Sustainability and Environmental Protection

The City Council adopts a set of Budget Principles each year. These Budget Principles provide a general framework and approach for developing the City's budget, ensuring fiscal stability by considering both the short and long-term impacts of any funding decisions. These principles are generally consistent with those approved last year with the Budget Stabilization Reserve (BSR) continuing to be set at a minimum of 15% of expenditures; this is an exception to the Budget and Fiscal Policies that set the BSR target at 25% of expenditures. These principles are incorporated as part of the actions considered in this Proposed Budget. The FY 2023/24 Budget Principles can be found in the *Budget and Fiscal Policies* section of the Proposed Budget.

DISCUSSION

City Charter Section 1303 (Budget - Public Hearing) requires that the City Council hold a public hearing on the proposed budget, at which interested parties are given an opportunity to be heard. A public hearing is scheduled for the purpose of taking public input on the City Council adoption of the Proposed FY 2023/24 & FY 2024/25 Biennial Operating Budget and FY 2023/24 Capital Program Budget Changes, including the Housing Authority and Sports and Open Space Authority budgets.

In addition, the City is required to calculate the expenditure appropriation limit from tax proceeds to determine compliance with Proposition 4 (Gann Initiative) and Proposition 111 (Spending Limitation Act of 1990). The City's Gann Appropriations limit is included as a separate report for City Council action. As stated in this companion report, the City's Proposed Budget is in compliance with the Gann Appropriations limit.

Budget Overview

The annual budget serves as a financial plan and operational guide that reflects the policies, goals, and priorities of the City Council and community while also maintaining fiscal stability.

The City's financial position has significantly improved since the adoption of the FY 2022/23 budget. The latest Ten-Year General Fund Forecast shows smaller deficits of \$8.0 million - \$8.9 million in FY 2023/24 and FY 2024/25. This is well below the \$27 million deficit projected in June 2022 and reflects stronger revenue growth in several areas as described in further detail in the *Ten-Year Financial Forecast* section of the Proposed Budget document. While the financial picture is much better, it is important to note that significant economic uncertainty and the risk of a recession persists.

The Proposed Budget continues the multi-pronged approach to solve the General Fund deficit with new revenues, one-time and ongoing expenditure savings, and use of reserves. Based on the improved financial position, this budget preserves services with fewer reductions necessary. The expenditure reductions limit direct service impacts, with the goal of stabilizing the services residents access on a regular basis as the organization continues to recover from the COVID-19 service disruptions. As part of this recovery, the City continues to fill vacant positions, which will result in an overall improvement to the services the City provides with the funding included in this budget.

With the recommended amendments to the Proposed Budget, the expenditure budget totals \$1.8 billion in FY 2023/24 and \$1.2 billion in FY 2024/25, as shown in Attachment 7 (Table 1). The budget includes adjustments for transfers, contributions and reserves to avoid double counting of the same funds (e.g. internal service funds are excluded).

The FY 2023/24 and FY 2024/25 Proposed Budget incorporates actions to bring the budget into balance, particularly in the General Fund that represents approximately one-fifth of the total budget. Staff has carefully analyzed all department budget proposals, considering the fiscal year projected resources, anticipated service impacts to Santa Clara residents and businesses, and City Council goals, principles and priorities. The Proposed Budget also factors in recommended changes to FY 2023/24 capital projects as well as recommended capital budget carryovers from FY 2022/23.

With the projected General Fund shortfall of \$8.0 million in FY 2023/24, the budget balancing strategy for the FY 2023/24 and FY 2024/25 Biennial Operating Budget incorporates a combination of increased revenues, one-time and ongoing expenditure reductions, and use of reserves as shown in

Attachment 7 (Table 2). This strategy is intended to preserve services while also maintaining the City's fiscal stability.

Following is a summary of the budget balancing components that are also discussed in more detail in the individual department sections of the budget document:

- **Revenue Solutions:** Part of the balancing strategy is to factor in increases to specific revenue sources. In November 2020, Santa Clara voters approved to increase the Transient Occupancy Tax rate by up to 4%, and the first two percentage point increase went into effect on January 1, 2022. The Proposed Budget assumes that the City Council will phase in the remaining increase in FY 2023/24 (1 percent in January 2024) and in FY 2024/25 (1 percent in January 2025), which would increase the rate from 11.5% to 13.5%. The rate increases would generate additional revenue of approximately \$0.9 million in FY 2023/24 and increasing to \$3.4 million ongoing. Fee adjustments have also been factored into this proposed budget. The fee increases incorporated into the FY 2023/24 were brought forward and approved by the City Council on April 18, 2023. This includes additional revenue assumed for the Parks & Recreation Sports Field Reservations Program, Public Works engineering fees, and Community Development fees. The anticipated increase to the Storm Drain Environmental Compliance fee is also reflected in the FY 2024/25 fee adjustments above. The funding sources also include a one-time transfer of \$149,000 from the Vehicle Replacement Fund for the sale of vehicles that will be retired as a budget proposal.
- **Expenditure Reductions:** one-time expenditure savings in both the Fire and Police Departments are expected to be realized in this biennial budget with no service delivery impacts. In FY 2022/23, the Fire Department was awarded a three-year SAFER grant, which will generate annual net overtime savings (\$1.0 million to \$3.1 million) during the grant period. In the Police Department, an increase to the Police Department's vacancy factor is recommended to align with historical performance. This results in no position reduction and provides the General Fund with approximately \$1.6 million and \$1.7 million in savings in FY 2023/24 and FY 2024/25, respectively. The vacancy factor adjustment has no impact in terms of recruitment or hiring efforts on the Police Department's side. Other departmental reductions limit direct service impacts, and the 4.0 position reductions are in strategic supports areas (City Attorney's Office, City Manager's Office, City Auditor's Office, Human Resources Department).
- **Use of Reserves/Future Unidentified Solutions:** In FY 2022/23, the City Council approved the establishment of a Budget Balancing Reserve as part of the FY 2021/22 Budgetary Year-End Close process. This Proposed Budget uses \$1.1 million of this reserve in FY 2023/24 and replenishes the amount in FY 2024/25. After the biennial budget period, additional balancing solutions are expected to be necessary and a revised forecast will inform the needed actions at that time.

The proposed budget balancing strategy addresses approximately half of the budget deficit with ongoing solutions. This continues the use of one-time and ongoing actions to bring the budget into balance, allowing time for the City's finances to recover. This strategy, however, does not provide capacity to restore services or to address the significant backlog of unmet and deferred capital needs.

Future Revenue Opportunities

While not incorporated into the budget figures presented in the Proposed Budget, the Administration will continue to evaluate future revenue opportunities that can help address a portion of the remaining ongoing General Fund shortfall, better position the City moving forward, address capital infrastructure needs, and align the City's revenues with other jurisdictions.

Other potential measures include, but are not limited to: 1) implement a General Obligation Bond to fund capital infrastructure needs; 2) establish a library or community services Parcel Tax; 3) increase the Property Documentary Transfer Tax; 4) establish a district sales tax; and 5) establish a utility users tax. These measures would require voter approval. Staff will seek direction from the City Council on those measures to potentially pursue during FY 2023/24.

Proposed FY 2023/24 Capital Improvement Program Amendments

The City Council approved the FY 2022/23 and 2023/24 Biennial Capital Budget and five-year capital improvement plan in June 2022. While the focus of this year's budget is operations, several budget amendments to the FY 2023/24 Adopted Capital Budget are also recommended, including a street trees replacement project funded by the General Fund Capital Projects Reserve as well as those funded by other funds. Further detail can be found in the *Appendices* section of the Proposed Budget.

Transient Occupancy Tax Direction

As discussed above, in November 2020, Santa Clara voters approved to increase the Transient Occupancy Tax rate by up to four percentage points from the rate of 9.5%; the first two percentage point increase went into effect on January 1, 2022. The Proposed Budget assumes that the City Council will phase in the remaining increase in FY 2023/24 (1 percent in January 2024) and in FY 2024/25 (1 percent in January 2025), which would increase the rate from 11.5% to 13.5%. A recommendation is included in this report to direct staff to bring forward a separate resolution to increase the Transient Occupancy Tax rate by one percentage point effective January 1, 2024. This resolution is expected to be brought forward to the City Council later this calendar year.

May 9th and June 6th Budget Study Sessions

The City Council and public provided feedback and had questions regarding the Proposed Operating Budget. This included discussion about elements of the General Fund Forecast, budget mechanics, and the budget balancing strategy. There were also questions regarding various revenues and expenditures (e.g., sales tax, transient occupancy tax, cannabis, CalPERS, use of one-time funds/reserves, budgeting for vacancies, available capital funding).

Concerns around staffing and recruitment were discussed. There was an interest in increasing library and Senior Center hours by filling vacancies, and the Council inquired about the timeline for these improvements. There was also discussion around public safety and the need to continue funding both the Fire and Police Departments, along with the programs and services they offer. The Council expressed interest in exploring new sources of revenue for the City to address the significant unmet

infrastructure needs. In addition, the Council was concerned about the fees for public facility rentals, and this item will be brought forward separately during FY 2023/24.

Responses to questions from the study sessions are included in Attachment 4 and Attachment 5 of this Report to Council. This report also includes a Budget-in-Brief as Attachment 6, a concise summary of the FY 2023/24 and FY 2024/25 proposed budget document.

Changes to the Proposed Budget

Recommended revisions to the Proposed Budget, including the carryover of capital funds from FY 2022/23 to FY 2023/24 and other budget adjustments are described in Attachment 2. Subsequent to the posting of the FY 2023/24 and FY 2024/25 Proposed Biennial Operating Budget, the City Council approved the Community Development Department's FY 2023/24 Annual Action Plan (AAP) on May 9, 2023. Actions in the Housing and Urban Development Fund are recommended to align with the approved AAP.

On May 2, 2023, the City Council approved Community Development Department staff, in partnership with the County of Santa Clara, to move forward with the Homekey Interim Housing Development Project. This project would enable the development of interim housing at the corner of Lawrence Expressway and Benton Street. As part of this approval, City Council provided direction for staff to return with a budget action appropriating up to \$5.5 million from various Housing funds for the operations at the Benton/Lawrence interim housing site. As detailed in Attachment 2, budget actions are recommended in the City Affordable Housing Fund, the City Affordable Capital Fund and the Housing Authority Fund to support this project. Although budgeted, no monies will be expended on this project until City Council approves a final agreement with the County on terms for the release of funds and City requirements for project operations.

A limited number of adjustments are recommended in operating funds to complete projects and deliver programs.

Housing Authority Proposed Budget

The Housing Authority Fund expenditure budget totals \$457,193 in FY 2023/24 and \$414,581 in FY 2024/25 as shown in the Proposed Budget. The budget allows the City of Santa Clara Housing Authority to continue to manage and monitor housing assets from the dissolution of the Redevelopment Agency. Additionally, funding will be used to support loan monitoring, administration and other programs and projects related to affordable housing.

Sports and Open Space Authority Budget

The Sports and Open Space Authority expenditure budget totals \$10,000 in FY 2023/24 and \$10,200 in FY 2024/25 as shown in the Proposed Budget. The purpose of the Sports and Open Space Authority is to support the acquisition and preservation of open space within the City and the development of local sports.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environment Quality Act ("CEQA") pursuant to section 15378(a)(4) of Title 14 of the California Code

of Regulations in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

FISCAL IMPACT

With the recommended adjustments detailed in Attachment 2, the FY 2023/24 and FY 2024/25 Proposed Biennial Operating Budget totals \$1.6 billion and \$1.4 billion, respectively, and the FY 2023/24 Capital Budget totals \$657 million in FY 2023/24. These amounts are itemized in the Appropriation Schedule included as Attachment 3.

COORDINATION

This report has been coordinated with the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Approve the Proposed FY 2023/24 and FY 2024/25 Biennial Operating Budget and FY 2023/24 Capital Budget changes, including the recommended revisions detailed in Attachment 2;
2. Approve the Appropriation Schedule for operating funds totaling \$1,617,369,144 in FY 2023/24 and \$1,374,568,875 in FY 2024/25 and the FY 2023/24 Appropriation Schedule for capital funds totaling \$657,486,151 as detailed in Attachment 3;
3. Approve the Housing Authority FY 2023/24 expenditure budget of \$457,193 and FY 2024/25 expenditure budget of \$414,581 as presented in the Operating Budget;
4. Approve the Sports and Open Space Authority FY 2023/24 expenditure budget of \$10,000 and FY 2024/25 expenditure budget of \$10,200 as presented in the Operating Budget; and
5. Direct staff to bring forward a separate resolution to increase the Transient Occupancy Tax rate by one percentage point effective January 1, 2024.

Reviewed by: Kenn Lee, Director of Finance

Approved by: Jōvan D. Grogan, City Manager

ATTACHMENTS

1. FY 2023/24 and FY 2024/25 Proposed Biennial Operating Budget and FY 2023/24 Capital Improvement Program Amendments
2. Revisions to the Proposed Budget, including FY 2023/24 Capital Budget Carryovers and other budget adjustments
3. FY 2023/24 and FY 2024/25 Appropriation Schedule
4. Responses to Questions from the May 9, 2023 City Council Study Session
5. Responses to Questions from the June 6, 2023 City Council Study Session
6. FY 2023/24 and FY 2024/25 Proposed Biennial Operating Budget Budget-in-Brief
7. Tables 1 & 2



FY 2023/24 and FY 2024/25

Proposed Operating Budget



**City of
Santa Clara**
The Center of What's Possible

This page is intentionally left blank.



TABLE OF CONTENTS

	Page
Transmittal Letter	7
City Profile	25
Budget and Fiscal Policies	43
Budget Summary	75
Revenue by Fund.....	77
Expenditures by Fund.....	80
Transfer Schedule.....	83
Summary of Fund Activity.....	86
Operating Expenditures by Category.....	93
Expenditures by Department by Fund Type.....	94
Summary of Budgeted Positions	99
Debt Service	103
Ten-Year Financial Forecast	117
Statements of Sources and Uses of Funds	137
General Fund	139
Special Revenue and Other Funds	153
American Rescue Plan Act (ARPA) Fund.....	160
Bridge Maintenance District #2 Fund.....	161
Building Development Services Fund.....	162
Building Special Programs and Training Fund.....	164
City Affordable Housing Fund.....	165
Community Facilities District No. 2019-1 (Lawrence Station) Fund.....	166
Convention Center Maintenance District Fund.....	167
Developer Traffic Payments Fund.....	168
Downtown Parking Maintenance District Fund.....	169
Endowment Care Fund.....	170
Engineering Operating Grant Trust Fund.....	171
Expendable Trust Fund.....	172
Fire Development Services Fund	174
Fire Operating Grant Trust Fund	175

TABLE OF CONTENTS

	<u>Page</u>
Special Revenue and Other Funds	
Gas Tax Fund	177
Housing and Urban Development Fund	178
Housing Authority Fund	180
Housing Successor Agency Fund	181
Library Donations Trust Fund	182
Library Operating Grant Trust Fund	183
Other City Departments Operating Grant Trust Fund	184
Parks and Recreation Operating Grant Trust Fund	186
Perpetual Care Fund.....	187
Police Operating Grant Trust Fund.....	188
Prefunded Plan Review Fund	190
Public Donations Fund	191
Public, Educational, and Governmental Fee Fund	193
Road Maintenance and Rehabilitation (SB1) Fund	194
Traffic Mitigation Fund	195
Enterprise Funds	197
Cemetery Fund.....	203
Convention Center Enterprise Fund.....	204
Electric Operating Grant Trust Fund	205
Electric Utility Fund.....	207
Sewer Utility Fund.....	209
Solid Waste Fund.....	211
Water Recycling Fund.....	213
Water Utility Fund.....	215
Internal Service Funds	217
Communication Acquisitions Fund.....	221
Fleet Operations Fund.....	222
Information Technology Services Fund.....	223
Public Works Capital Projects Management Fund.....	224
Special Liability Insurance Fund.....	225
Unemployment Insurance Fund.....	226
Vehicle Replacement Fund.....	227
Workers' Compensation Fund.....	228
Capital Improvement Program Funds	229
Cemetery Capital Fund.....	234
City Affordable Housing Capital Fund.....	235



TABLE OF CONTENTS

	<u>Page</u>
Capital Improvement Program Funds	
Convention Center Capital Fund.....	236
Electric Utility Capital Fund.....	237
Fire Department Capital Fund.....	241
General Government Capital Fund.....	243
Library Department Capital Fund.....	246
Parks and Recreation Capital Fund.....	247
Patrick Henry Drive Infrastructure Improvement Fund.....	250
Public Buildings Capital Fund.....	251
Recycled Water Capital Fund.....	253
Related Santa Clara Developer Fund.....	254
Sewer Utility Capital Fund	255
Solid Waste Capital Fund.....	257
Storm Drain Capital Fund	258
Street Lighting Capital Fund.....	260
Streets and Highways Capital Fund.....	261
Tasman East Infrastructure Improvement Fund.....	266
Water Utility Capital Fund.....	267
Other Agency Funds	269
Sports and Open Space Authority Fund.....	272
City Departments	273
Mayor and City Council Offices.....	275
City Attorney's Office	285
City Clerk's Office.....	295
City Auditor's Office.....	313
City Manager's Office	323
Community Development Department.....	341
Electric Utility Department.....	361
Finance Department.....	397



TABLE OF CONTENTS

	Page
City Departments	
Fire Department.....	415
Human Resources Department.....	437
Information Technology Department.....	453
Library Department.....	469
Parks and Recreation Department.....	491
Police Department.....	509
Department of Public Works.....	527
Water and Sewer Utilities Department.....	565
Non-Departmental.....	585
Other Agency	623
Appendices	627
Outside Group Funding.....	627
FY 2023/24 Budget Amendments to Adopted Capital Improvement Program Budget.....	629
CSMFO Award.....	641

April 28, 2023

Honorable Mayor, City Council and Residents of Santa Clara,

The Proposed Biennial Operating Budget for fiscal years (FY) 2023/24 and 2024/25 is presented for consideration and continues the biennial budget process that alternates between an operating and capital budget. This year's budget focuses on our day-to-day operations that support vital City services. Amendments to the FY 2023/24 capital budget are also included.

As part of the budget deliberation process, two City Council study sessions are scheduled for May 9, 2023 and June 6, 2023 before the public hearing and planned budget adoption on June 27, 2023.

For FY 2023/24, the Proposed Operating Budget totals \$1.1 billion. The enterprise funds that are used to manage the City's utilities (Silicon Valley Power, water, sewer, and solid waste) represent the largest share of the budget at 54.3%. The General Fund budget totals \$280.8 million, or 17.5% of the budget, and is used to fund many direct services, such as police and fire public safety services, libraries, parks, community centers, and streets maintenance.

Over the past few years, there have been significant financial challenges stemming from COVID-19. This necessitated General Fund budget balancing actions starting in FY 2020/21 and continued over the past three years. A combination of strategies has been used to address the budget deficits, including the use of one-time reserves and federal stimulus funds, new revenues, and expenditure reductions. This multi-pronged approach has balanced the competing goals of aligning ongoing revenues and expenditures and minimizing the service delivery impacts to the community. It has also allowed time for General Fund revenues to recover.

This strategy has positioned the City well for the FY 2023/24 and FY 2024/25 Proposed Biennial Budget that solves a smaller projected General Fund deficit.



Budget Milestones:

April 28: Release of Proposed Budget

May 9: City Council Study Session on Proposed Budget

June 6: City Council Study Session on Proposed Budget

June 27: Public Hearing and Adoption of FY 2023/24 and FY 2024/25 Biennial Operating Budget and Amendments to the FY 2023/24 Capital Budget

July 1: Start of Fiscal Year 2023/24

The City's financial position has significantly improved since the adoption of the FY 2022/23 budget. The latest Ten-Year General Fund Forecast shows smaller deficits of \$8.0 million and \$8.9 million in FY 2023/24 and FY 2024/25. This is well below the \$27 million deficit projected in June 2022 and reflects stronger revenue growth in several areas as summarized in the *Ten-Year Financial Forecast and Economic Outlook* discussion below and described in further detail in the *Ten-Year Financial Forecast* section of this document. While the financial picture is much better, it is important to note that significant economic uncertainty and the risk of a recession persists.

General Fund Budget Balancing Strategy



The Proposed Budget continues the multi-pronged approach to solve the deficit with new revenues, one-time and ongoing expenditure savings, and use of reserves. Based on the improved financial position, this budget preserves services with fewer reductions necessary. The expenditure reductions limit direct service impacts, with the goal of stabilizing the services residents access on a regular basis as the organization continues to recover from the COVID-19 service disruptions. As part of this recovery, the City continues to fill vacant positions, which will result in an overall improvement to the services the City provides with the funding included in this budget.

Total Budget Overview

The expenditures in the FY 2023/24 Proposed Budget total \$1.5 billion and reflect an increase of 12% from the FY 2022/23 Adopted Budget. In FY 2024/25, the budget decreases to \$1.2 billion as a result of one-time Electric Utility and Sewer Utility debt issuances anticipated in FY 2023/24 for capital projects. The issuance of debt financing is also the primary reason the FY 2023/24 Proposed Budget is above the FY 2022/23 Adopted Budget of \$1.33 billion. Table 1 summarizes the total proposed budgets by fund group.

Table 1: FY 2023/24 and FY 2024/25 Proposed Budget

Table 1: FY 2023/24 and FY 2024/25 Proposed Budget			
Fund Type	FY 2022/23 Adopted Budget	FY 2023/24 Proposed Budget	FY 2024/25 Proposed Budget
General Fund	\$272,355,355	\$280,773,558	\$287,458,968
Special Revenue Funds	28,469,289	38,411,889	37,111,226
Enterprise Funds	815,864,620	872,344,414	968,035,945
Internal Service Funds	42,429,153	38,850,861	41,629,602
Debt/Other	19,846,647	374,983,049	40,658,134
Less (Transfers, Contributions, and Reserves)*	(203,142,482)	(509,709,569)	(247,780,561)
Subtotal Operating Budget	\$975,822,582	\$1,095,654,202	\$1,127,113,314
Capital Funds	\$357,380,666	\$396,879,114	\$108,385,754
Less (Transfers, Contributions, and Reserves)*	(1,454,000)	(1,588,205)	(1,454,000)
Subtotal Capital Budget	\$355,926,666	\$395,290,909	\$106,931,754
Total Budget	\$1,331,749,248	\$1,490,945,111	\$1,234,045,068

* Adjusts for transfers, contributions and reserves to avoid double counting of the same funds (e.g., internal service funds are excluded)

The FY 2023/24 and FY 2024/25 Proposed Budget incorporates actions to bring the budget into balance, particularly in the General Fund that represents approximately one-fifth of the total budget. Staff has carefully analyzed all department budget proposals, considering the fiscal year projected resources, anticipated service impacts to Santa Clara residents and businesses, and City Council goals, principles and priorities. The Proposed Budget also factors in recommended changes to FY 2023/24 capital projects, including a street trees replacement project funded by the General Fund Capital Projects Reserve as well as those funded by other funds.

Guiding Framework

The City Council has adopted the following Council Strategic Pillars:

1. Promote and Enhance Economic, Housing and Transportation Development
2. Deliver and Enhance High Quality Efficient Services and Infrastructure
3. Enhance Community Sports and Recreational and Arts Assets
4. Enhance Community Engagement and Transparency
5. Ensure Compliance with Measure J and Manage Levi's Stadium
6. Manage Strategically Our Workforce Capacity and Resources
7. Promote Sustainability and Environmental Protection

The City Council adopts a set of Budget Principles each year. These Budget Principles provide a general framework and approach for developing the City's budget, ensuring fiscal stability by considering both the short and long-term impacts of any funding decisions. These principles are generally consistent with those approved last year with the Budget Stabilization Reserve (BSR) continuing to be set at a minimum of 15% of expenditures; this is an exception to the Council policy that would set the BSR at 25% of expenditures. These principles are incorporated as part of the actions considered in this Proposed Budget. The FY 2023/24 Budget Principles can be found in the ***Budget and Fiscal Policies*** section of this document.

Summary of Budgeted Positions

The FY 2023/24 Proposed Budget reflects a net addition of 22.25 positions from the FY 2022/23 Adopted Budget level as shown in Table 2 below. Almost all of the changes are Base Budget adjustments, which reflect position changes previously approved by the City Council at a separate City Council meeting. The FY 2023/24 Base Budget adjustments include the following: the addition of 18.0 Firefighter positions funded by the SAFER grant during FY 2022/23; the addition of 10.0 positions funded by SVP, including 8.0 in the Electric Utility Department, 1.0 in the Human Resources Department, and 1.0 in the Finance Department; the addition of 5.0 development funded positions, including 3.0 in the Community Development Department and 2.0 in the Fire Department; the change of an Office Specialist position in the Library from 0.5 to 0.75 FTE and the change of two part-time (0.5 FTE) Librarian positions to one full-time (1.0 FTE) Librarian position; and the freezing of 7.0 positions funded by the Related development based on discussions with Related.

The FY 2023/24 Proposed Budget includes the reduction of 4.0 positions (3.0 frozen positions and 1.0 elimination). In FY 2024/25, the addition of 4.0 positions in the Community Development Department is proposed to support development activity.

The changes by department are described in further detail in Table 2 below and in each department section of this document.

Table 2: Summary of Position Changes (All Funds)

Summary of Position Changes (All Funds)	
FY 2022/23 Budget	1,127.00
Base Budget Changes (Fire SAFER Grant firefighter positions)	18.00
Base Budget Changes (SVP Funded)	10.00
Base Budget Changes (Development Fee Funded)	5.00
Base Budget (Other Changes)	0.25
Base Budget Changes (freeze Related-funded positions)	(7.00)
Proposed Budget Changes - General Fund Reductions	(4.00)
FY 2023/24 Budgeted Positions	1,149.25
FY 2024/25 Proposed Additional Positions (Building Fee Funded)	4.00
FY 2024/25 Budgeted Positions	1,153.25

The following table below summarizes the budgeted position changes by department. A detailed summary of Base Budget position changes can be found in the Department sections of this document.

Table 3: Summary of Funded Positions by Department

Department	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	Change	FY 2024/25 Proposed
Mayor and City Council	9.00	9.00	10.00	1.00	10.00
City Attorney	8.00	8.00	7.00	(1.00)	7.00
City Auditor	3.00	3.00	2.00	(1.00)	2.00
City Clerk	6.00	7.00	7.00	0.00	7.00
City Manager	12.50	12.50	11.30	(1.20)	11.30
Community Development	72.00	73.00	75.00	2.00	79.00
Electric Utility	198.00	214.00	222.00	8.00	222.00
Finance	68.75	69.75	70.75	1.00	70.75
Fire	154.50	155.50	173.50	18.00	173.50
Human Resources	14.00	15.00	15.00	0.00	15.00
Information Technology ¹	6.00	6.00	6.00	0.00	6.00
Library	42.50	42.50	42.75	0.25	42.75
Non-Departmental ²	6.50	6.50	5.70	(0.80)	5.70
Parks and Recreation	77.75	77.75	77.75	0.00	77.75
Police	221.0	231.0	231.0	0.00	231.0
Public Works	122.5	123.5	119.5	(4.00)	119.5
Water and Sewer Utilities	73.00	73.00	73.00	0.00	73.00
Total	1,095.00	1,127.00	1,149.25	22.25	1,153.25

¹The IT Department partners with a service provider to meet citywide technology needs.

²The City Manager's Office also oversees the Non-Departmental functions (e.g., citywide administration, Stadium Authority support, communications, community/special programs and initiatives, economic/real estate development, State and federal legislative coordination, etc.).

Ten-Year Financial Forecast and Economic Outlook

The Ten-Year General Financial Forecast (Forecast) provides policy makers and the public an updated assessment of the City's fiscal health and serves as a strategic planning tool to assist the City Council, staff, and the public with decision-making as they work to adopt the budget and consider long-term financial strategies for the City. The Forecast also identifies known risk factors and vulnerabilities, and it provides a foundation for evaluating priorities and understanding trade-offs moving forward.

The Forecast compares anticipated ongoing General Fund revenues with base expenditures, which include the projected costs of providing the current level of service. Individual projections of revenues and expenditures are developed based on trend analyses, input from available economic reports, consultant recommendations, departments, updated salary and benefit information, and non-personnel costs. The most current information available is incorporated into the Forecast.

As shown in Table 3 below, this Forecast shows a General Fund shortfall of \$8.0 million in FY 2023/24 and \$8.9 million in FY 2024/25, with the projected deficit reaching a high of \$15.0 million in FY 2028/29 and a low of \$7.5 million in FY 2033/34. The projected shortfall of \$8.0 million in FY 2023/24 is equivalent to 2.8% of forecasted expenditures.

Table 4: Summary of Funded Positions by Department

FY 2024-2034 General Fund Ten-Year Financial Forecast (\$ in millions)											
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Projected Revenues	\$272.6	\$284.9	\$297.3	\$309.0	\$321.2	\$333.3	\$346.5	\$359.7	\$373.5	\$387.8	\$402.7
Projected Expenditures	\$280.6	\$293.8	\$308.2	\$320.8	\$332.7	\$348.3	\$360.5	\$373.9	\$383.3	\$396.4	\$410.2
Cumulative (Shortfall)/ Surplus	(\$8.0)	(\$8.9)	(\$10.9)	(\$11.8)	(\$11.5)	(\$15.0)	(\$14.0)	(\$14.2)	(\$9.8)	(\$8.6)	(\$7.5)
% of Expenses	2.8%	3.0%	3.5%	3.7%	3.5%	4.3%	3.9%	3.8%	2.5%	2.2%	1.8%

Note: The Forecast does not include the cost to address unmet/deferred infrastructure needs, the cost to fully fund public safety equipment replacement, additional contributions to reserves (Budget Stabilization Reserve, Capital Projects Reserve, Pension Reserve), one-time funding sources, and one-time expenditure needs.

This Forecast reflects a significant improvement from the \$27 million General Fund deficit projected in June 2022. This improvement is due to stronger revenue growth in areas such as Property Tax (\$6 million), the SVP Transfer (\$6 million), the voter approved Business Tax update (\$5 million), and the Transient Occupancy Tax accelerated recovery (\$2 million). While a structural deficit remains, long-term revenue and expenditure growth are in closer alignment as a result of this stronger revenue performance.

The Forecast, however, does not address significant one-time capital infrastructure needs. Historically, the City

has funded many of capital infrastructure and equipment needs with one-time funds on a pay-as-you-go basis. The use of one-time funds as the funding mechanism for capital improvements and various equipment that rely on the General Fund creates challenges. The lack of sufficient one-time funding has resulted in a backlog of unmet/deferred infrastructure needs. Staff will continue to evaluate potential options to create capacity to address those funding needs.

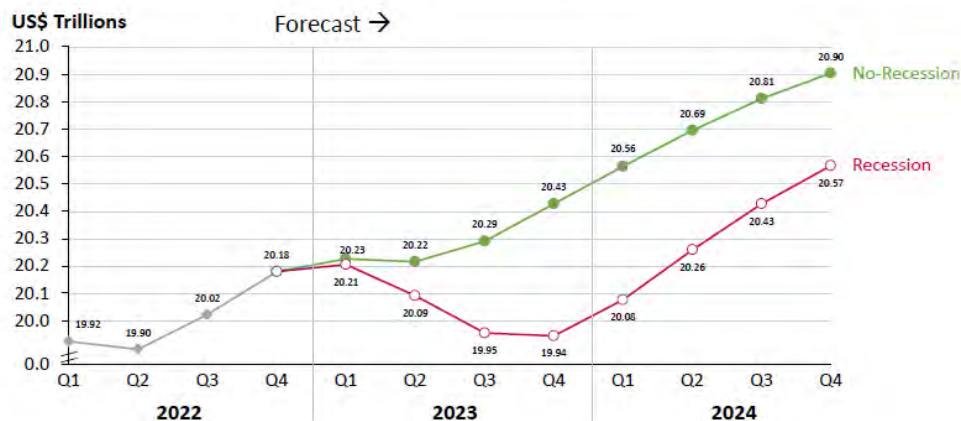
While the Forecast has improved, there are various factors that could have potential positive or negative impacts on the Forecast. These include:

- Economic slowdown/recession;
- Re-assessment of properties for property tax purposes;
- State/federal legislative changes and legal challenges;
- Labor costs outside the budget assumptions;
- CalPERS actuarial changes or reform actions;
- Unanticipated critical capital/infrastructure needs; and
- Maintenance impacts and timing of development projects.

Economic Outlook

The budget is presented in a time where significant economic instability is forecasted for the second half of 2023. The assumptions incorporated into the City's budget factor in the analysis provided by the UCLA Anderson Forecasts. These Forecasts are issued quarterly and provide national and State economic outlooks. Economic indicators are mixed, and there is a tremendous amount of uncertainty forecasted for later this calendar year. Given this level of uncertainty, both the December 2022 and March 2023 UCLA Anderson Forecasts presented a two-scenario approach: recession scenario and no recession scenario. The recession scenario predicts a recession occurring at the end of 2023, where "inflation would have continued to run hot if not for aggressive Federal Reserve action. In this scenario, the Federal Reserve forces a mild recession and accepts an economic contraction and higher unemployment to combat inflation." In the no recession scenario, "economic growth slows but remains positive, inflation ebbs, labor markets remain robust, and the Federal Reserve takes a less aggressive approach to monetary policy tightening".¹

Real GDP Levels, US\$ Trillions, Chained 2012 Prices, Seasonally Adjusted Annual Rates



Source: UCLA Anderson Forecast and U.S. Bureau of Economic Analysis

¹ UCLA Anderson Forecast, March 2023, Recession or No Recession? That is the Question

This uncertainty is also reflected in the February 2023 National Association for Business Economics (NABE) Outlook Survey, which found significant divergence regarding the outlook for the U.S. economy. “Estimates of inflation-adjusted gross domestic product or real GDP, inflation, labor market indicators, and interest rates are all widely diffused, likely reflecting a variety of options on the fate of the economy – ranging from recession to soft landing to robust growth.”²

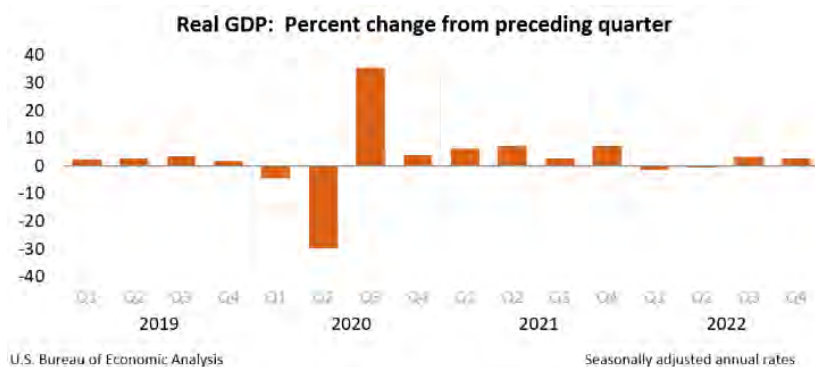
Given this uncertainty, there is greater risk for variances in the economically sensitive revenues, such as Sales Tax, Transient Occupancy Tax and Property Tax. This Forecast assumes moderate economic growth in these areas, with Transient Occupancy Tax continuing to improve from the severe COVID-19 impacts. Adjustments may be necessary in future Forecasts depending on actual economic performance.

Employment data has remained positive with low unemployment rates. On a national level, the unemployment rate was 3.6% in February 2023. This rate was well below the record setting high of 14.7% in April 2020, and slightly above the pre-pandemic unemployment rate of 3.5%.

U.S. Civilian Unemployment Rate, seasonally adjusted



Note: shaded area represents recession, as determined by the National Bureau of Economic Research
Source: U.S. Bureau of Labor Statistics



In the fourth quarter 2022 second estimate, the Gross Domestic Product (GDP) increased at an annual rate of 2.7%, following a GDP increase of 3.2% in the third quarter. The GDP decelerated in the fourth quarter compared to the third due to downturns in exports, State and local government spending as well as a slowing in consumer spending.³

² February 2023 Outlook Survey Summary (nabe.com)

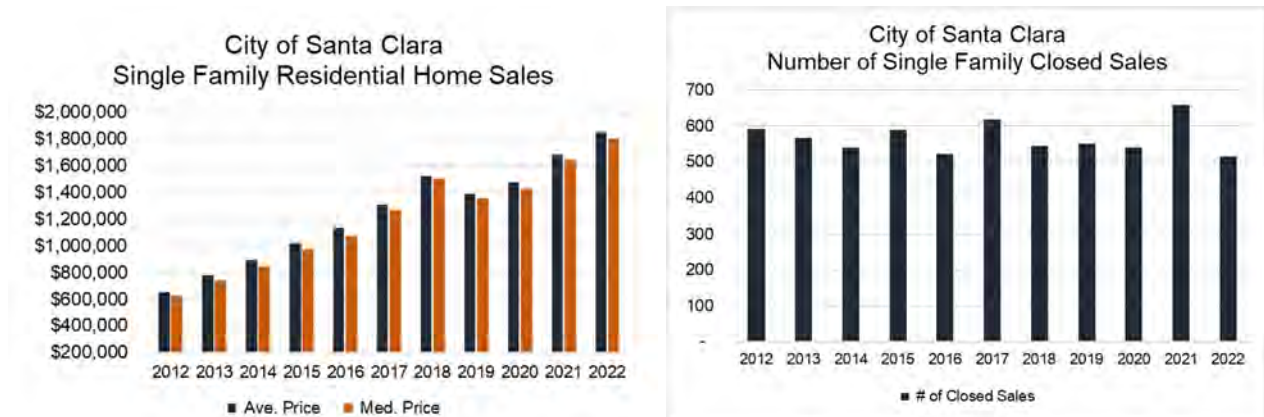
³ https://www.bea.gov/sites/default/files/2023-02/tech4q22_2nd.pdf

While recent local news continues to report layoffs at many of the technology companies in the region, employment indices continue to remain strong. The unemployment rates at the state and local level also remain low, with this region outperforming both the nation and California as shown in Table 5 below.

Table 5: Summary of Unemployment Rates

Unemployment Rate (Not Seasonally Adjusted)				
	Dec 2019	Dec 2020	Dec 2021	Dec 2022
Nation	3.4%	6.5%	3.7%	3.3%
California	3.9%	8.9%	5.0%	3.9%
San José-Sunnyvale-Santa Clara Metropolitan Statistical Area	2.4%	6.2%	2.9%	2.4%
Source: California Employment Development Department, U.S. Bureau of Labor Statistics				

Property values in Santa Clara remain high. In 2022, the median price of a single-family home was \$1.8 million, which was up from the 2021 level of \$1.64 million as shown in the Single-Family Residential Home Sales chart. The number of single-family closed sales, however, was down from 659 in 2021 to 515 in 2022. With the rise in interest rates from the historic lows experienced over the last several years, there is risk to this sector. In the first quarter 2023, the median single-family home price was \$1.6 million and there were 68 closed sales.



Data Source: Santa Clara County Association of Realtors

There are significant development projects underway in Santa Clara that will bring new revenues as well as new costs. While the full financial impacts of these developments have not been factored into the Forecast given the uncertainty regarding the timing, the Forecast assumes the continuation of additional development activity in the City. Roughly \$700 million to \$1 billion in new valuation is assumed annually in the Forecast. To the extent growth is experienced beyond this assumption, this will have a positive impact to the City's future budget forecast.



General Fund Budget Balancing Strategy

With the projected General Fund shortfall of \$8.0 million in FY 2023/24, the budget balancing strategy for the FY 2023/24 and FY 2024/25 Biennial Operating Budget incorporates a combination of increased revenues, one-time and ongoing expenditure reductions, and use of reserves as shown in Table 6 below. This table also includes an ongoing shortfall figure that reflects the average of the projected shortfalls in years three through five of the Ten-Year General Fund Forecast along with the ongoing balancing actions.

Table 6: FY 2023/24 and FY 2024/25 General Fund Balancing

FY 2023/24 and FY 2024/25 Biennial Operating Budget General Fund Balancing (\$ in millions)			
	FY 2023/24	FY 2024/25	Ongoing
Forecast Shortfall	(\$8.0 M)	(\$8.9 M)	(\$11.4 M)
Increased Revenues			
• Increased TOT Rate (phased 2%)	0.9	1.7	3.4
• Fee Adjustments	0.5	0.8	0.8
• One-Time Revenues	0.2	0.0	0.0
Total Revenue Solutions	1.6	2.5	4.2
Expenditure Reductions			
• Fire SAFER Grant	1.0	3.1	0.0
• Police Vacancy Savings	1.6	1.7	0.0
• Other Departmental Proposals	2.7	2.7	2.0
Total Expenditure Solutions	5.3	7.5	2.0
Use of Reserves/(Contribution to Reserves)			
Budget Balancing Reserve/Other Reserves	1.1	(1.1)	5.2
Total Use of Reserves/(Contribution to Reserves)	1.1	(1.1)	5.2
General Fund Balancing Total	\$8.0 M	\$8.9 M	\$11.4 M

The budget balancing strategy is intended to preserve services while also maintaining the City's fiscal stability. Following is a summary of the budget balancing components that are also discussed in more detail in the individual department sections of the budget document:

- **Revenue Solutions:** Part of the balancing strategy is to factor in increases to specific revenue sources. In November 2020, Santa Clara voters approved to increase the Transient Occupancy Tax rate by up to 4%, and the first two percentage point increase went into effect on January 1, 2022. The Proposed Budget assumes that the City Council will phase in the remaining increase in FY 2023/24 (1 percent in January 2024) and in FY 2024/25 (1 percent in January 2025), which would increase the rate from 11.5% to 13.5%. The rate increases would generate additional revenue of approximately \$0.9 million in FY 2023/24 and increasing to \$3.4 million ongoing. These increases will bring the City's rates slightly above mid-point when compared to other cities in the County. Outreach regarding this proposal occurred with

several large City hotels earlier in March 2023. Fee adjustments have also been factored into this proposed budget. The fee increases were brought forward and approved by the City Council on April 18, 2023 as part of the adoption of the FY 2023/24 Municipal Fee Schedule. An anticipated increase to the Storm Drain Environmental Compliance fee is also reflected in the FY 2024/25 fee adjustments above.

- **Expenditure Reductions:** one-time expenditure savings in both the Fire and Police Departments are expected to be realized in this biennial budget with no service delivery impacts. In FY 2022/23, the Fire Department was awarded a three-year SAFER grant, which will generate annual net overtime savings (\$1.0 million to \$3.1 million) during the grant period. In the Police Department, an increase to the Department's vacancy factor is recommended to align with the historical staffing rates over the past decade. This results in no position reduction and provides the General Fund with approximately \$1.6 million and \$1.7 million in savings in FY 2023/24 and FY 2024/25, respectively. The vacancy factor adjustment will allow the continuation of recruitment or hiring efforts as currently experienced in the Fire and Police Departments. Other departmental reductions limit direct service impacts, and the 4.0 position reductions are in strategic support areas (City Attorney's Office, City Manager's Office, City Auditor's Office, and the Human Resources Department).
- **Use of Reserves:** In FY 2022/23, the City Council approved the establishment of a Budget Balancing Reserve as part of the FY 2021/22 Budgetary Year-End Close process. This Proposed Budget uses \$1.1 million of this reserve in FY 2023/24 and replenishes the amount in FY 2024/25. After the biennial budget period, the use of additional reserves may be necessary depending on the fiscal situation at that time and the budget balancing solutions brought forward.

The proposed budget balancing strategy addresses approximately half of the budget deficit with ongoing solutions. This continues the use of one-time and ongoing actions to bring the budget into balance, allowing time for the City's finances to recover. This strategy, however, does not provide capacity to restore services or to address the significant backlog of unmet and deferred capital needs.

Proposed Budget Highlights

Budget proposals are recommended to address a portion of the General Fund shortfall, to meet development services needs through fee-funded additions, and to support special and enterprise fund activities.

Highlights of these proposals are provided below and are aligned to the City's strategic pillars:

Promote and Enhance Economic, Housing and Transportation Development

- **CDBG and Housing Funds** – The City remains committed to maintaining its housing programs to provide aid to its most vulnerable residents. As recommended in the City's Annual Action Plan, the FY 2023/24 budget includes over \$2.0 million of CDBG funds for various public service activities (e.g., including family therapy and advocacy, educational services, senior adult legal assistance, and providing meals to seniors and adults with disabilities) along with funding also set aside for capital projects for affordable housing and public facility improvements. One-time funding from the HOME American Rescue Plan is also programmed in FY 2023/24 to provide additional funding for Tenant-Based Rental Assistance and homelessness outreach.



- **Convention Center** – The Convention Center continues to increase its activity levels compared to the two prior fiscal years given the continued recovery from the pandemic. In FY 2023/24, the Convention Center is projected to have 220 events, with approximately 246,196 in attendance, which reflects over 100% growth in attendance when compared to FY 2022/23 projected attendance. In FY 2024/25, the Convention Center is projected to have 255 events, with approximately 260,846 in attendance.



Deliver and Enhance High Quality Efficient Services and Infrastructure

- **City-Wide Services** – As hiring continues and vacancies are filled, the City will be able to enhance the services to the public using the funding provided in this Proposed Budget. Improvements are expected in areas such as library services with the expansion of service hours, public safety, maintenance activities, development services, and support for the City's utilities. The pandemic seriously disrupted the City's service delivery and the City is still recovering from those impacts.



- **Community Development** – Fee-supported budget proposals are recommended to improve service and efficiency and support the high volume of development activity. These additions include one-time funding for various software and hardware upgrades focused on bringing efficiencies for staff and flexibility to customers. Also recommended are the addition of 1.0 Permit Technician, 1.0 Office Specialist II, 1.0 Office Specialist III, and 1.0 Office Specialist IV to help manage the workload in both the Building Division's administrative team and Permit Center.
- **Electric Utility** – Proposals are recommended to increase substation maintenance and outage response and repair to ensure the reliability of substations as the number of substations increases and related technology implementations advance, augment underground maintenance and tree trimming services directed at reducing power distribution system outages, enhance generation maintenance so that in-town generation assets are in peak operating condition, and provide a managed training portal software for staff to ensure that all compliance requirements related to system operations tasks are met.
- **Water and Sewer** – In the Water and Sewer Funds, resources are aligned with the expected activity, including adjustments to water purchases, expected contributions to the Regional Wastewater Facility operating and maintenance costs, including the issuance of additional debt in FY 2023/24. The revenue estimates in the water and sewer enterprise funds are also aligned with the expected activity levels and reflect anticipated rate increases.
- **Capital Improvement Program** – Work will continue on improving the City's infrastructure through the implementation of capital projects approved as part of the FY 2022/23 and FY 2023/24 Biennial Capital Budget. Amendments to the FY 2023/24 capital budget are also included with this document as described in more detail below.

Enhance Community Sports and Recreational and Arts Assets

- Parks and Recreation Capital Improvements** – Based on age, condition and Council established priorities, the City is rehabilitating and expanding its park facilities, amenities and playgrounds for all ages and abilities at Warburton Park, Henry Schmidt Park, Westwood Oaks Park playground, Montague Park and Central Park Magical Bridge Playground. The Department is acquiring, developing and opening new community buildings at Lawrence Station Area (Nuevo Community Buildings) and a community arts center at Patrick Henry Drive Specific Plan Area. The Parks and Recreation Department will begin outreach on a City-wide Parks & Recreation Master Plan and community input on the Community Park North in the Related City Place project. Mitigation Fee Act and Quimby Act funds are also being allocated for potential parkland acquisition and will be identified in the City-wide Master Plan.



Enhance Community Engagement and Transparency



- Using funding from FY 2022/23, the Library will initiate strategic planning efforts to identify community-based goals for service and to align with City Council priorities.
- The Community Development Department will continue to engage with the Santa Clara community to inform and involve community members in both long-range and current land use planning activities.

Ensure Compliance with Measure J and Manage Levi's Stadium

- The Stadium Authority's stand-alone Fiscal Year 2023/24 Operating, Debt and Capital Budget was adopted by the Stadium Authority Board on March 7, 2023. The \$81.3 million budget provides the necessary funding to administer the duties of the Stadium Authority, including support for operating the Stadium for Non-NFL events through a management company, advancement of the FY 2023/24 work plan, payment of debt service obligations, and maintenance of a five-year capital plan. The Adopted Budget included funding for the Neighborhood Stadium Relations Committee and funding of \$27.8 million for debt service expenses. The capital budget totals \$20.5 million and includes funding for general building, security, furnishings and equipment, and public safety investments.

Manage Strategically Our Workforce Capacity and Resources

- Community Development** – Two funding shifts are proposed in this budget, including the shift of 0.25 Associate Planner from the General Fund to the Building Development Services Fund and the use of the Advanced Planning Fee Reserve to fund 1.0 Senior Planner that is currently General Fund-funded. The Associate Planner shift will provide more capacity for the Building Division to perform conformance reviews. The Senior Planner position will result in increased ability for the Planning Division to perform long-range planning.



- **Police** – While there are no position reductions that are being proposed within the Police Department, an increase to the vacancy factor from 3% to 7% is included in this budget. The new proposed vacancy factor aligns with the historical average vacancy factor the Department has experienced over the past decade. The Department is currently operating at an approximate 12% vacancy factor; therefore, no service level impacts result from this proposal, and the budget allows for the pace of department hiring to continue as experienced before the pandemic.
- **Fire** – The Proposed Budget reflects changes associated with the Staffing for Adequate Fire and Emergency Response (SAFER) grant, a three-year \$11.3 million grant. The grant will partially fund 18 firefighter positions, which included unfreezing 12 positions and adding 6 new positions as approved by the City Council on February 7, 2023 (RTC 23-170). The positions will provide additional relief to help maintain daily minimum staffing of emergency response apparatus and reduce overtime due to absences caused by vacation, sick and disability leaves, resulting in one-time General Fund savings.



- **Parks and Recreation** – A one-time proposal is recommended to reduce the General Fund subsidy to the Cemetery Fund in FY 2023/24 and FY 2024/25 due to increased Cemetery revenues received.
- **Library** – Proposals are recommended to reduce funding for the purchase of library books and materials as well as funding for overtime, utilities, supplies and miscellaneous services, and advertising and community promotion. Library hours are not reduced as a result of these reduction proposals.
- **Public Works** – Ongoing position allocation shifts for Environmental Program staff and the Compliance Manager will align workloads and shift funding out of the General Fund. Proposed removal of underutilized Streets vehicles and equipment provides ongoing reductions in General Fund vehicle amortization and maintenance and operations. The sale of those underutilized vehicles will provide one-time revenues to the General Fund. To continue to support the development planning and building application review, an increase to the Storm Drain contractual services budget is included and offset by additional revenues.
- **City Manager and Non-Departmental** – A proposal to freeze 1.0 Assistant City Manager is recommended in this budget in addition to the ongoing reduction of the Santa Clara Golf Course maintenance budget, which is no longer needed with the continued Related development on that property.
- **Strategic Support** – The ongoing elimination of 1.0 position and the freezing of funding for the Santa Clara Leadership Program are recommended in the Human Resources Department. The one-time freezing of the City Auditor position and 1.0 Assistant City Attorney position are also recommended. Budget proposals in the Information Technology Department include a reduction to the cost-of-living

adjustment for the IT services contract and a reduction in utilities expense. Non-personnel reductions are also recommended in the Finance Department, the Clerk's Office, and the City Auditor's Office.

Promote Sustainability and Environmental Protection

- **Electric Utility** – Additional funding is proposed to support the Large Customer Renewable Energy Program (LCRE) which was approved by City Council on November 16, 2021. Proposals are recommended to expand the electric transportation acceleration initiatives to ensure Santa Clara is an EV Ready Community by 2030. And lastly, several initiatives funded by the Greenhouse Gas Program are brought forward in an effort to expedite Greenhouse Gas (GHG) emission reduction. These programs could include new solar installations, solar installations combined with battery storage, and solar projects combined with electric vehicle (EV) infrastructure for City facilities and neighborhood school locations.



General Fund Revenues and Fees

As discussed in the Budget Balancing section above, the Proposed Budget assumes the continued phase-in of the TOT rate increase. In November 2020, Santa Clara voters approved to increase the Transient Occupancy Tax rate by up to 4% from the rate of 9.5%. In FY 2021/22, 2 percent of the 4 percent potential rate increase was implemented effective January 1, 2022. The Proposed Budget assumes that the City Council will implement the remaining 2 percent of the 4 percent potential rate increase in FY 2023/24 (1 percent in January 2024) and in FY 2024/25 (1 percent in January 2025). A separate resolution to bring this forward is expected to be brought forward to the City Council later this calendar year. Outreach of this proposal was conducted in March 2023 with the large hotels in the City.

Fee adjustments have also been factored into this proposed budget. The fee increases incorporated into the FY 2023/24 were brought forward and approved by the City Council on April 18, 2023. This includes additional revenue assumed for the Parks & Recreation Sports Field Reservations Program, Public Works engineering fees, and Community Development fees. The anticipated increase to the Storm Drain Environmental Compliance fee is also reflected in the FY 2024/25 fee adjustments above.

The funding sources also include a one-time transfer of \$149,000 from the Vehicle Replacement Fund for the sale of vehicles that will be retired as a budget proposal.

Utility Rate Changes

For the City's Utility funds, the Proposed Budget is built on the assumption of various rate changes, with some of the key rates highlighted below.

Table 7: Select Rate Changes for Utility Services

Utility Service	FY 2022/23	FY 2023/24	% Change
Water - Residential per HCF	\$7.33	\$8.01	9.2%
Recycled Water - Irrigation per HCF	\$4.12	\$4.54	10.2%
Sewer - Residential Single Family per month	\$46.82	\$48.34	3.2%
Solid Waste - 32 Gallon Cart (Includes recycling and yard waste charges, and Annual Clean-up Campaign)	\$52.46	\$55.40	5.6%
Solid Waste - 3-Cubic Yard Bin (Serviced one time per week)	\$398.92	\$431.81	8.2%
Electric - Residential per KWH (Effective January 1, 2024) Based on average usage of 420 kwh/month under D1 rate	\$0.14298	\$0.1553	7% (Jan 2024)

The water and sewer rate increases represent Water and Sewer Utility staff estimates. Rates are approved by the City Council annually with the 2023 Rate Hearing scheduled for June 6, 2023. Proposed Solid Waste rate increases and a Public Hearing are scheduled to be brought forward to Council on May 23, 2023. The Electric rate displays the average rate for the fiscal year. For FY 2023/24, the rate assumes an increase of 5% effective July 1, 2023, which will be brought forward to Council in May 2023, and a 7% increase starting January 1, 2024 that is expected to be brought forward for City Council consideration by December 2023.

Future Revenue Opportunities



While not incorporated into the budget figures presented in the Proposed Budget, the Administration will continue to evaluate future revenue opportunities that can help address a portion of the remaining ongoing General Fund shortfall, better position the City moving forward, address capital infrastructure needs, and align the City's revenues when compared with other jurisdictions.

Other potential measures include but are not limited to: 1) addition of a General Obligation Bond to fund capital infrastructure needs; 2) establish a library or community services Parcel Tax; 3) increase to the Property Documentary Transfer Tax; and 4) establish a Utility Tax. Staff will seek direction from the City Council on those measures to potentially pursue.

Amendments to the FY 2023/24 Adopted Capital Budget

The City Council approved the FY 2022/23 and 2023/24 Biennial CIP Budget in June 2022. This action approved a two-year capital budget and presented a five-year capital improvement plan. While the focus of this year's budget is operations, several budget amendments to the FY 2023/24 Adopted Capital Budget are also recommended. Further detail can be found in the **Appendices** section of this document. Some of the key budget amendments are summarized below:



- Silicon Valley Power Electric Utility projects (\$167.5 million) – funding adjustments to several projects are recommended to reflect current project timelines and necessary project augmentations. Funding will support improvements to transmission systems, transformers, transmission lines, receiving stations, as well as other infrastructure needs. Funding is also removed for projects that are not expected to move forward in FY 2023/24 based on the current project timelines. A majority of the increase in funding is due to debt financing for the SRS Rebuild and Replacement, KRS Rebuild and Replacement, NRS-KRS 115kV Line, and the NRS Transformer and Breaker Upgrades projects
- 
- A photograph of a high-voltage electrical substation with several large metal structures and power lines under a clear blue sky.
- Stationary Standby Generators (-\$80,000) – decreases funding to reflect the advancement of some funding from FY 2023/24 to FY 2022/23 as described in RTC 23-1463 approved by Council on February 21, 2023.
 - Related Permit Work (-\$2.0 million) – eliminates this project appropriation as it is directly related to the staffing costs for the 8.0 City positions created to support work on the Related Santa Clara project. Of the 8.0 positions, 1.0 has been shifted to the Building Development Services Fund and the remaining 7.0 have been frozen.
 - Streets and Highways (\$2.0 million) – adds revenue from other agencies and appropriates project funding of \$1.5 million to align with the North San Jose Settlement agreement for the Tasman Complete Streets Plan 2021 Improvements Phase 1 project and allocates General Fund Capital Project Reserve funding to fund emergency street tree services, tree removals, and tree plantings in FY 2023/24.
- 
- An aerial photograph of a large wastewater treatment facility with numerous circular and rectangular tanks, surrounded by green grass and some buildings.
- Sewer projects (-\$4.6 million) – reduces the contributions for the San José/Santa Clara Regional Wastewater Facility based on the latest budget allocation figures provided by the City of San José and an elimination of funding for the Sanitary Sewer System Improvements project to reflect an advancement of that funding to FY 2022/23.

The carryover of unexpended capital project funds from FY 2022/23 to FY 2023/24 is necessary in order to continue or complete projects beyond the current fiscal year. As appropriations lapse annually on June 30th, recommendations to carryover funding will be brought forward under separate cover for City Council consideration as part of the budget adoption in June 2023.

Status of Reserves

The Proposed Budget incorporates reserves in various funds as reflected in the Source and Use Statements.

General Fund Reserves

- **Budget Stabilization Reserve (BSR)** – This reserve is used as an allocation for weathering economic downturns, emergency financial crises or disaster situations. Per Council policy, the Budget Stabilization Reserve (BSR) target is equal to the cost of the City’s General Fund operations for three months, or 25% of the expenditure budget. Given the significant impacts of COVID-19 on the City’s budget, the City Council adopted the FY 2022/23 budget principles that allowed this reserve to drop to 15% of budgeted expenditures. The FY 2023/24 proposed budget principles would also allow the BSR to remain at a minimum of 15% given the City’s continuing fiscal challenges. In the Proposed Budget, the BSR is set at \$45.8 million in FY 2023/24 (16.3% of expenditures) and FY 2024/25 (15.9% of expenditures).
- **Land Sale Reserve** – The City Council established the Land Sale Reserve with net proceeds from the sale of City-owned land, with interest earned on these funds being available to be appropriated for General Fund operating expenditures. The Land Sale Reserve has a projected ending balance of \$18.5 million for FY 2023/24 and FY 2024/25 and is available for appropriation by City Council action. This reserve balance reflects the full repayment of the loan for the Reed Street-Grant Street Sports Park Project (\$5.6 million) in FY 2022/23.
- **Capital Projects Reserve** – The Capital Projects Reserve (CPR) earmarks funds for the Capital Improvement Program (CIP). The minimum target for this reserve is \$5.0 million. This reserve has a projected ending balance of \$6.1 million in FY 2023/24 and FY 2024/25. The use of \$463,050 from the Capital Projects Reserve is recommended for the Street Tree Services project to fund the third and final year of the Modesto Ash tree removals plan.

Utility Fund/Other Reserves

The Utility Funds incorporate various reserves to cover shortfalls in operating revenues, maintain strong bond ratings, cover day-to-day operating costs, and ease the burden on ratepayers associated with large rate increases. These typically include an Operations and Maintenance Reserve (generally set at three months of operations), a construction reserve and a rate stabilization reserve. The Utility Funds also include a Pension Trust Reserve. Select other reserves are set aside in various funds as necessary, such as debt reserves and workers’ compensation and general liability reserve for claims.

Stadium Authority

The Stadium Authority exists as a public body, separate and distinct from the City, and is established to provide for development and operation of Levi’s Stadium. It is structured so that the City will not be liable for debts or obligations of the Stadium Authority. The Stadium Authority’s stand-alone Fiscal Year 2023/24 Operating, Debt and Capital Budget was adopted by the Stadium Authority Board on March 7, 2023 and can be found at <https://www.santaclaraca.gov/our-city/santa-clara-stadium-authority/financial-reports#Stadium-Budget>. This budget reflects the revenues and expenditures related to the support of the Stadium; expenditures related to the Stadium Authority can also be found in the **General Fund Non-Departmental** section of this document.

Next Steps

As part of the budget deliberation process, two City Council study sessions are scheduled for May 9, 2023 and June 6, 2023 before the public hearing and planned budget adoption on June 27, 2023.

An overview of the Proposed FY 2023/24 and 2024/25 Biennial Operating will be presented at the May 9th Study Session.

Summary

The Proposed Fiscal Year 2023/24 and 2024/25 Biennial Operating Budget uses a combination of strategies to balance the budget, including new revenues, one-time and ongoing expenditure reductions, and the use of reserves. This document is intended to provide the City Council and the community with a transparent plan that facilitates discussion of City services and the alignment of proposals with City Council and community priorities.

With the use of one-time and ongoing solutions to address the General Fund shortfall, this budget balances the competing goals of aligning ongoing revenues and expenditures and minimizing the service delivery impacts to the community. This continues the gradual budget balancing approach that has allowed time for the City's fiscal condition to improve. This budget also presents balanced budget for the City's many other operating and capital funds. This includes the City's utility funds that represent the majority of the City's budget and are primarily supported by user fees.

City departments worked together as a team to prepare this fiscally responsible, balanced budget. The hard work and dedication of City's Department Heads and employees are greatly appreciated as we continue to recover from the COVID-19 induced impacts. As part of this recovery, the City is working to fill vacant positions, which will result in an overall improvement to the services the City provides with the Proposed Budget funding.

In closing, I want to thank the City Council for our continued strong partnership in supporting vital City services while also ensuring the fiscal health of the City. It is through this strong partnership that we have already overcome significant budget deficits and continued to provide a wide range of public services that our community enjoys.

Respectfully submitted,



Kenn Lee
Director of Finance



Nadine Nader
Office of the City Manager

SANTA CLARA AT A GLANCE

The City of Santa Clara (City) has always reflected the progressive, bellwether nature of California. It is one of the oldest cities in the state, an agricultural powerhouse in the 1800s, and the birthplace of many of the technology innovations that created Silicon Valley in the 1900s. Today, it maintains its leading-edge status as a community that is nationally recognized for its livability and a city that has a sustainable, bright future powered by the private investment of billions of dollars in new development and growth opportunities.

History

Santa Clara was incorporated in 1852 as a Charter City with a Council/Manager form of government although it existed as a community for hundreds of years prior to that as a village for the Ohlone and their ancestors. European explorers came to the area in the mid-1700s and settled it as a military and religious outpost. It is called the “Mission City” in reference to the Mission Santa Clara de Asis, which opened in 1777 as one of 21 Spanish missions established by Franciscan padres along El Camino Real in California.



Size

Santa Clara encompasses 18.28 square miles in the heart of Northern California’s Santa Clara County, also known as Silicon Valley, in recognition of the region’s leadership in technology innovations that changed the way the world lives, works, learns and plays. It is part of the burgeoning South Bay metropolitan area that includes the City of San José, the 10th largest city in the U.S., and the wider nine-county San Francisco Bay Area that is the fastest growing region in the state.

Population¹



The 2022 population of the City of Santa Clara is estimated at 130,127 and is one of the most diverse in the nation with about 44% of residents born outside the U.S. The City’s residents are highly skilled and educated, with approximately 63% of adults holding a bachelor’s degree or higher. The median age is 34 years and the median household income is reported at \$150,244.

Business¹

Businesses in City of Santa Clara range from entrepreneurial start-ups, to longstanding family owned firms, to the international headquarters of Fortune 500 corporations. Millions of square feet of new office and retail projects are under development or in planning stages, greatly expanding the City's capacity to accommodate businesses that want to start, relocate or expand in a high energy, dynamic environment. Some of the largest employers within the City include Advanced Micro Devices Inc., Applied Materials Inc., California's Great America, Intel Corporation, and Nvidia Corp. In both 2021 and 2022, Silicon Valley (San Jose-Sunnyvale-Santa Clara metropolitan statistical area) was ranked the most dynamic metro area in the United States by Heartland Forward.

City Services

Santa Clara is a full-service city with its own police and fire departments and electric, water and sewer utilities. Other core services include libraries, parks, award winning services and recreational programs for seniors and youth, neighborhood beautification, free citywide outdoor Wi-Fi, special events and support of history and art museums. The City also provides development and planning services, housing programs, and maintenance of the City's transportation infrastructure. In January 2023, the San Francisco Chronicle used 11 metrics to rank the 25 largest cities in the Bay Area with the best quality of life and Santa Clara was ranked 11th.



Housing¹



There are approximately 46,000 households in the City and housing stock continues to expand through new transit-oriented developments that offer lifestyle alternatives to the City's traditional single-family neighborhoods and carefully preserved historic homes. The City is in a metropolitan area that is one of the highest priced housing markets in America. As of January 2023, the median price of a single-family home was \$1,487,500. As of March 2023, the average rent for a one-bedroom apartment is \$2,713. Santa Clara has invested millions of dollars in affordable housing projects that provide 1,849 units for low income seniors, families, homeless and disabled residents.

Transportation

In addition to approximately 610 lane miles of City-owned roadways, Santa Clara is crisscrossed by State Highway 101 and El Camino Real (Highway 82) and two regional County of Santa Clara expressways. Public transit services in the City include Santa Clara Valley Transportation Authority buses and light rail, Caltrain, Altamont Corridor Express (ACE), Capitol Corridor, and Amtrak. A future extension of BART into the South Bay is underway and will terminate in Santa Clara, and the Norman Y. Mineta San José International Airport borders the City. Santa Clara has also placed a priority on enhancing multi-modal transportations for residents and

businesses by providing additional bicycle facilities throughout the City, adopting a Pedestrian Masterplan, creating a Shared Mobility Program (bicycle and scooter share), and is in the process of completing a Creek Trail Network Expansion Masterplan for future expansion of trail facilities to complement the existing San Tomas Aquino/Saratoga Creek Trail.

Education¹



Public schools serving residents of Santa Clara are under the authority of independent school districts. The City works closely with the school districts to provide quality educational opportunities for grades K-12 and students attending Mission College for a two-year degree or professional development. Santa Clara University, the oldest institution of higher learning in California, is in the historic Downtown Quad area of the City and enrolls 5,895 undergraduate students and 3,023 graduate students.

Infrastructure¹

Each year, the City makes significant investments in maintaining, expanding, and improving civic infrastructure for the benefit of residents and businesses. The City has the lowest combined water, sewer, and electric rates in the nine Bay Area counties. The City-owned electric utility, Silicon Valley Power (SVP), is recognized as a Smart Energy Provider from the American Public Power Association for demonstrating a commitment to and proficiency in energy efficiency, distributed generation and environmental initiatives that support the goal of providing safe, reliable, low-cost and sustainable electric service. It is also recognized by the Environmental Protection Agency (EPA) for its Green Power program, which is included on the nation-wide Green Power Communities List. Over the past few years,



the City's water storage and delivery system has been upgraded and it is one of the most successful purveyors of recycled water with 33 miles of recycled water pipelines within Santa Clara's city limits and about one billion gallons each year. The City is a partner in the San José-Santa Clara Regional Wastewater Facility and is investing approximately \$121 million over the next 10 years to update the aging facility and expand capacity. The Water & Sewer Utilities is a past recipient of the California Municipal Utilities Association (CMUA) Resource Efficiency Award for its recycled water program – retrofits for developments. In 2021, the Water & Sewer Utilities system received the Santa Clara Valley Section of the Clean Water Environment Association's Sewer Collection System of the Year-Medium Size.

Economic Development

The City of Santa Clara welcomes business, and that strategic attitude is paying off with billions of dollars in private investment currently under construction or in the pipeline. As projects come online, the City's economic base is broadened and diversified, ensuring greater fiscal stability in the future as well as increased revenues to the City's budget.



Development projects approved over the past fiscal year include several housing and mixed use projects: 1601 Civic Center Drive, which included a General Plan Amendment and Rezoning for a 100% affordable multi-family, 106 unit project; and the Greystar mixed use project in the Freedom Circle Focus Area including 1,100 multi-family residential units, up to 2,000 square feet of amenity space and a 2.0-acre public park at 3905 Freedom Circle. A new data center at 2590 Walsh Ave. is underway, including demolition of a 115,000 square-foot office and warehouse building, and construction of a 468,170 square-foot four-story data center consisting of eight data center

halls and a substation More information on new development projects can be found on the City's website <https://www.santaclaraca.gov/business-development> under the "Development Projects" link.

¹ California Department of Finance Demographic Research Unit; January 2022 and January 2021 City Population Table
 US Census QuickFacts, March 2023
 Santa Clara County Association of Realtors Market Housing Statistics January 2023
 Santa Clara University 2022-2023 Undergraduate Bulletin
 Zumper Rent Prices –March 2023
 Environmental Protection Agency – Green Power Communities
 Employment Development Department, Major Employers in California





Community Profile¹

Geography

Persons per Square Mile

Santa Clara: 6,984

County: 1,499



Land in Square Miles

Santa Clara: 18.28

County: 1,291

Population

Santa Clara

County



130,127

1,894,783

Age

Santa Clara

County

Median Age
34 years



Median Age
37.2 years

Age 18-64:
70%

Age 18-64:
64%

Foreign Born



Santa Clara: 44%

County: 40%

Median Family Income

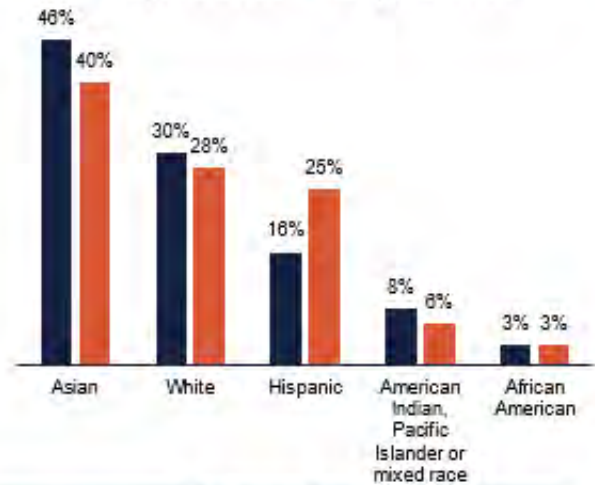
Santa Clara
\$150,244

County
\$140,258



Diversity

■ City of Santa Clara ■ County of Santa Clara



Education

High School Graduate or Higher

Santa Clara
94%

County
89%

Bachelor's Degree or Higher

Santa Clara
63%

County
54%



Labor Market

Labor Force

Santa Clara: 74,000
County: 1,055,200

Unemployment Rate

Santa Clara: 2.1%
County: 2.4%

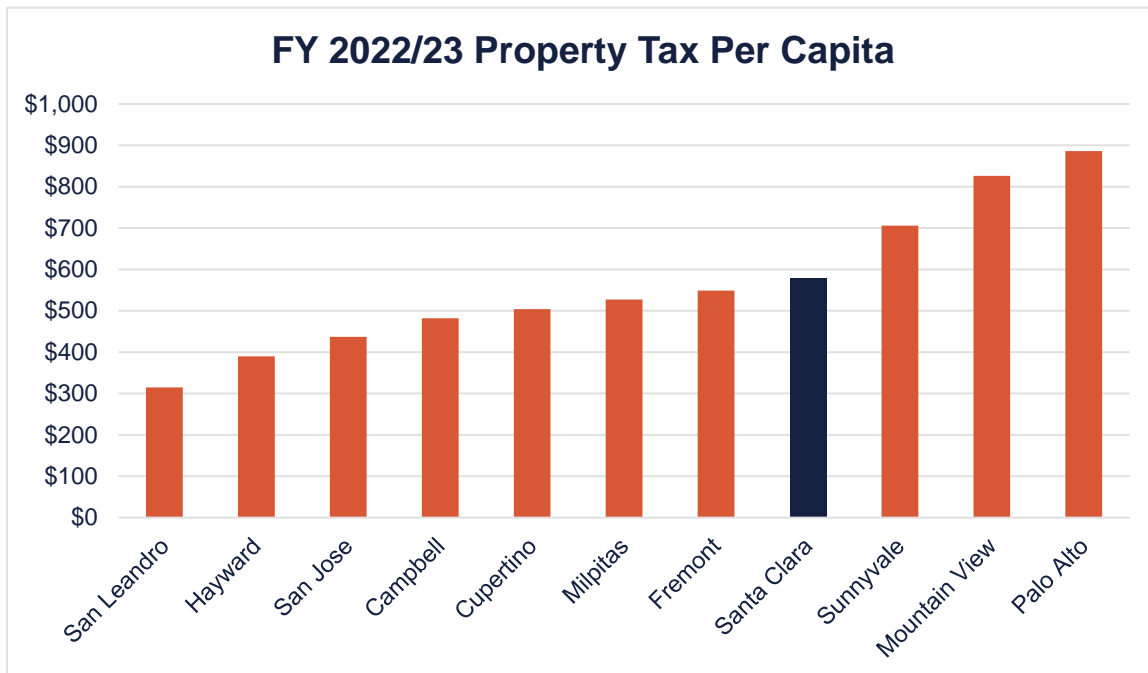


¹US Census QuickFacts March 2023; CA EDD – Labor Market Info as of December 2022; CA Dept. of Finance Demographic Research Unit; Data USA Santa Clara

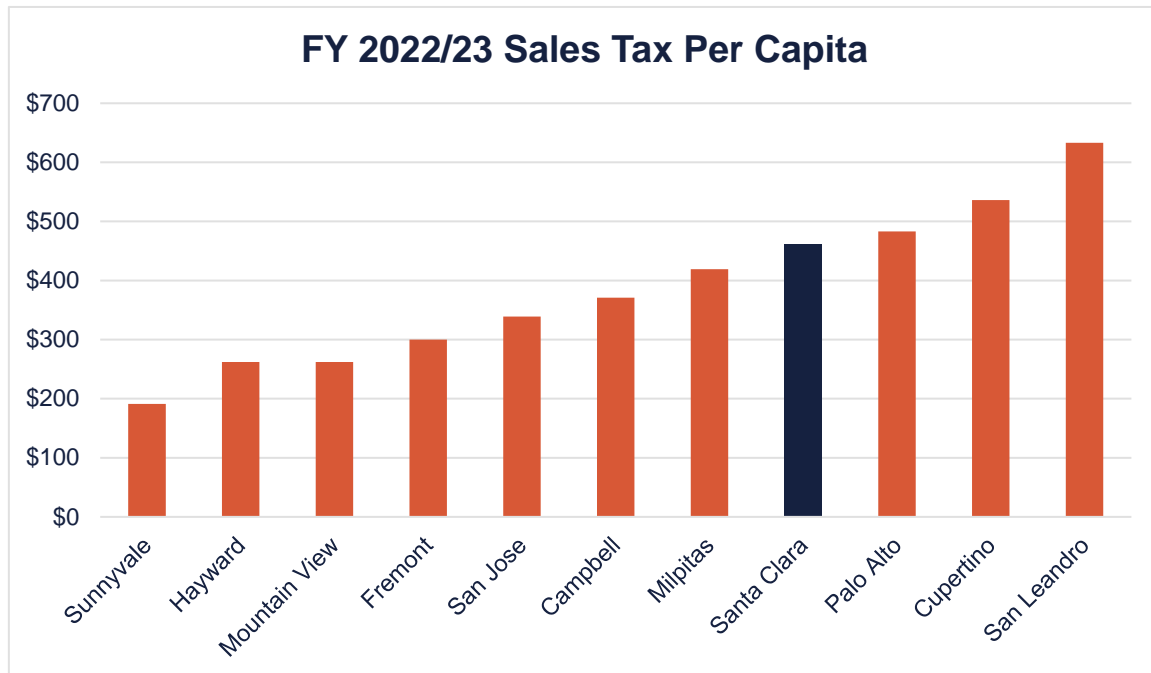
SANTA CLARA COMPARISON TO OTHER LOCAL CITIES IN THE LOCAL REGION

The following graphs compare FY 2022/23 per capita revenues from key sources and total budgeted expenditures for FY 2022/23 in the City of Santa Clara to other cities in the local region. Sales tax, property tax, and transient occupancy tax categories are included as they are the largest economically sensitive General Fund revenue sources for the City.

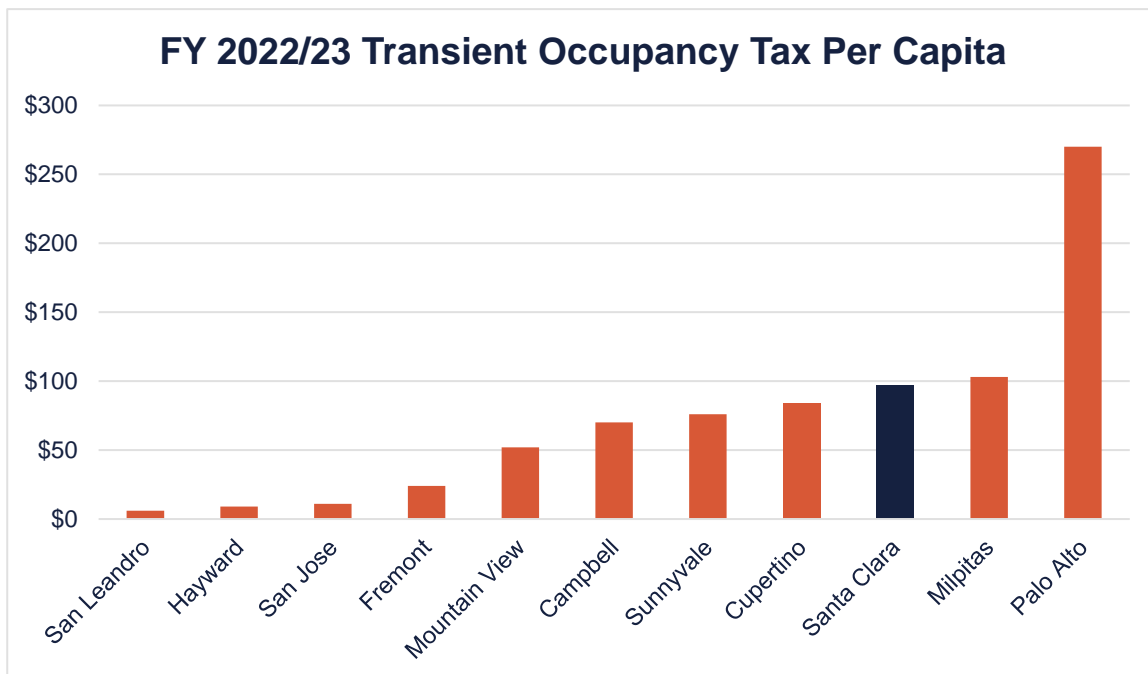
Expenditure data for selected city budgets in relation to their respective population is included for all funds and the General Fund for FY 2022/23. The assets per capita for FY 2021/22 are also shown. It is important to note Santa Clara and Palo Alto include City-owned utilities that result in relatively higher budgets and assets per capita.



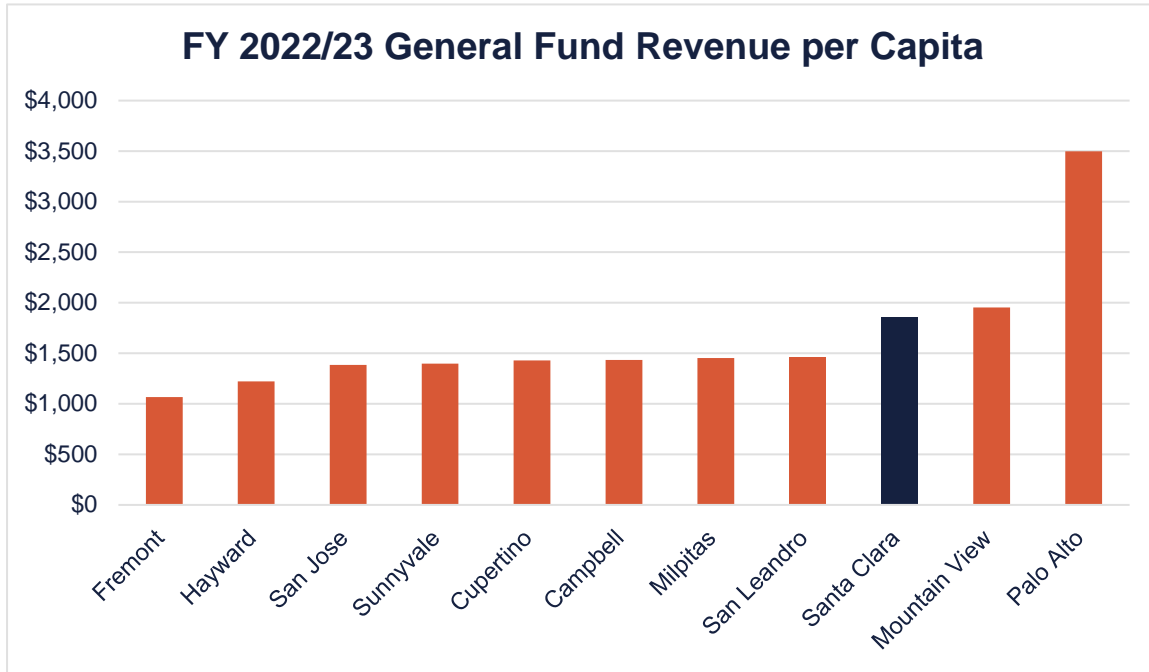
Source: City of Milpitas FY 2022/23 Adopted Budget



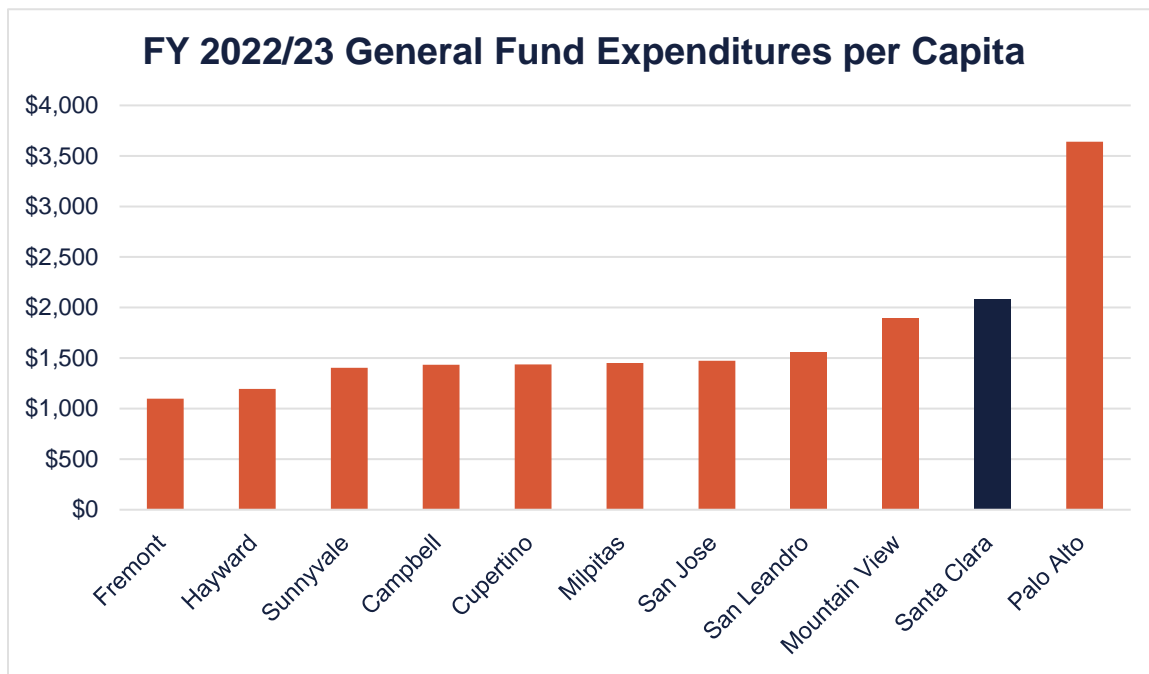
Source: City of Milpitas FY 2022/23 Adopted Budget



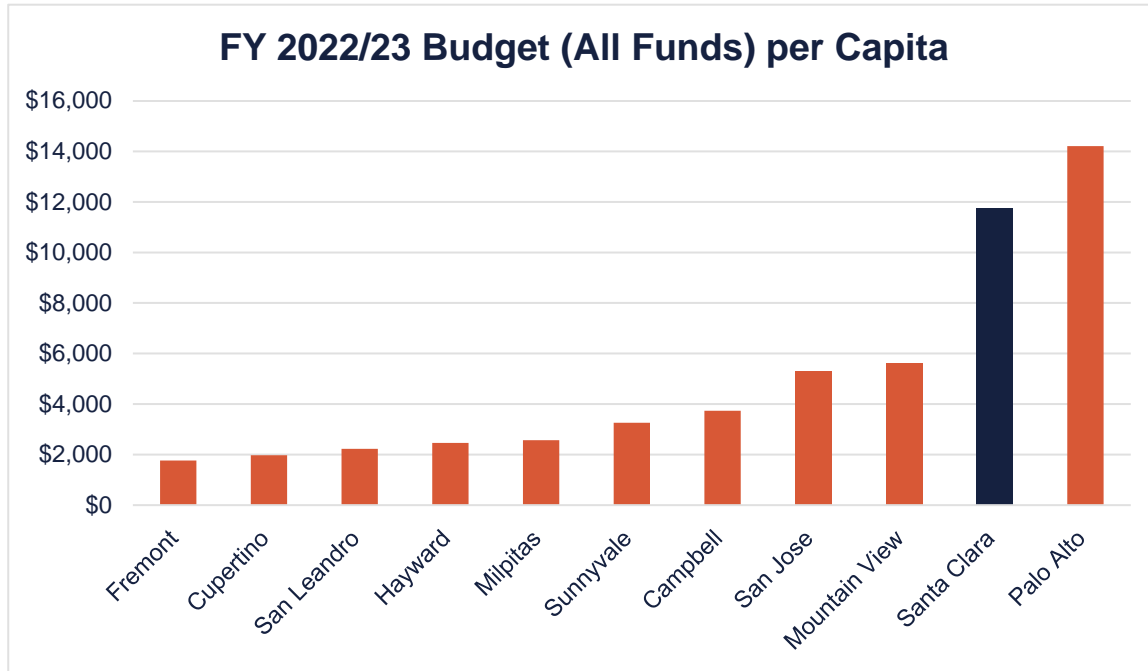
Source: City of Milpitas FY 2022/23 Adopted Budget



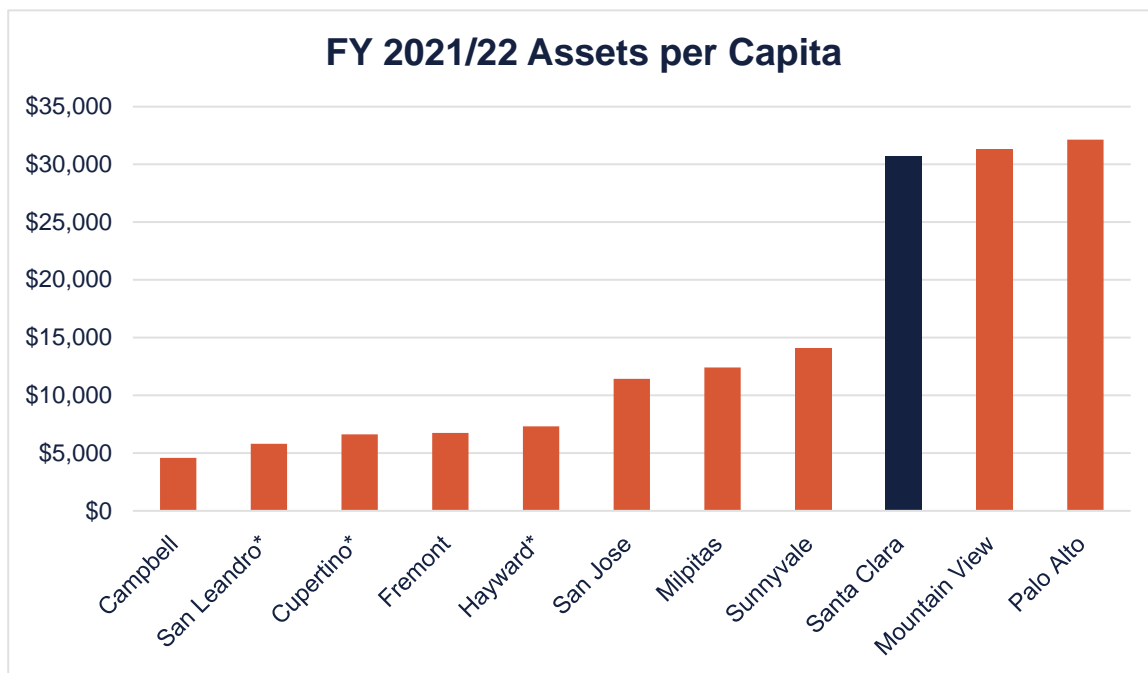
Source: Each city FY 2022/23 Adopted Budget



Source: Each city FY 2022/23 Adopted Budget



Source: Each city FY 2022/23 Adopted Budget



Source: Each city FY 2021/22 Annual Comprehensive Financial Report

* Each city FY 2020/21 Annual Comprehensive Financial Report

Note: For Budget (All Funds) and Assets tables, the budgets for Santa Clara and Palo Alto include City-owned utilities that account for a significant portion of the budget.



Roster of City Council and Commission Members*

City Council

Mayor	Lisa M. Gillmor
Councilmember District 1	Kathy Watanabe
Councilmember District 2	Raj Chahal
Councilmember District 3	Karen Hardy
Councilmember District 4	Kevin Park
Councilmember District 5	Sudhanshu “Suds” Jain
Councilmember District 6	Anthony J. Becker

Board of Library Trustees

Jonathon Evans	Debbie Tryfonos
Jan Hintermeister	Stephen Ricossa
Leonne Broughman	

Cultural Commission

Candida Diaz	Jonathan Marinaro
Louis Samara	Paul McNamara
Debra von Huene	Siddarh Sundaram

Housing Rehabilitation and Loan Committee

Carmen Pascual	Darius Brown
----------------	--------------

Planning Commission

Priya Cherukuru	Lance Saleme
Yashraj Bhatnagar	Qian Huang
Nancy A. Biagini	Mario Bouza

Senior Advisory Commission

Nancy Toledo
Grant L. McCauley
Rick Andrews
Edmund Drozek
Tom Freitas
Judy Hubbard
Veena Sterling

Civil Service Commission

Franklin J. Felizardo	Willie D. Brown, Jr.
Tahir Naim	John Casey
Carolyn McAllister	

Historical and Landmarks Commission

Patricia Leung	Kathleen Romano
Ana Vargas-Smith	Amy Kirby
Michael Celso	Ed Stocks
Megan Swartzwelder	

Parks and Recreation Commission

Kelly Cox	Eversley Forte
Dana Caldwell	Sajid Hai
Maureen Reilly Chu	Brittany Ricketts
Burt Field	

Salary Setting Commission

Eric Chu	John Sontag
Marjorie Banko	Ram Misra
MV Kumar	

Youth Commission

Simren Garg	Malia Martin
Aarav Gupta	Samaira Mehta
Fatimah Ismail	Hiranya Parekh
Jasmine Kelly-Tanti	Sudeepthi Ravipati
Khadeejah Khan	Rajvi Khanjan Shroff
Ryan Kim	Samarth Suresh
Kira Liang	Sarah Zuo
Keith Maben	

*As of March 2023



Executive Management Team*

City Manager

Jovan D. Grogan

City Attorney

Glen Googins

City Auditor

Vacant

City Clerk

Hosam Haggag

Chief Operating Officer

Nadine Nader

Assistant City Manager

Cynthia Bojorquez

Chief of Police

Pat Nikolai

Fire Chief

Ruben Torres

Director of Human Resources

Aracely Azevedo

Director of Finance

Kenn Lee

Director of Parks and Recreation

James Teixeira

Director of Information Technology

Gaurav Garg

City Librarian

Patty Wong

Chief Electric Utility Officer

Manuel Pineda

Director of Water and Sewer Utilities

Gary Welling

Director of Public Works

Craig Mobeck

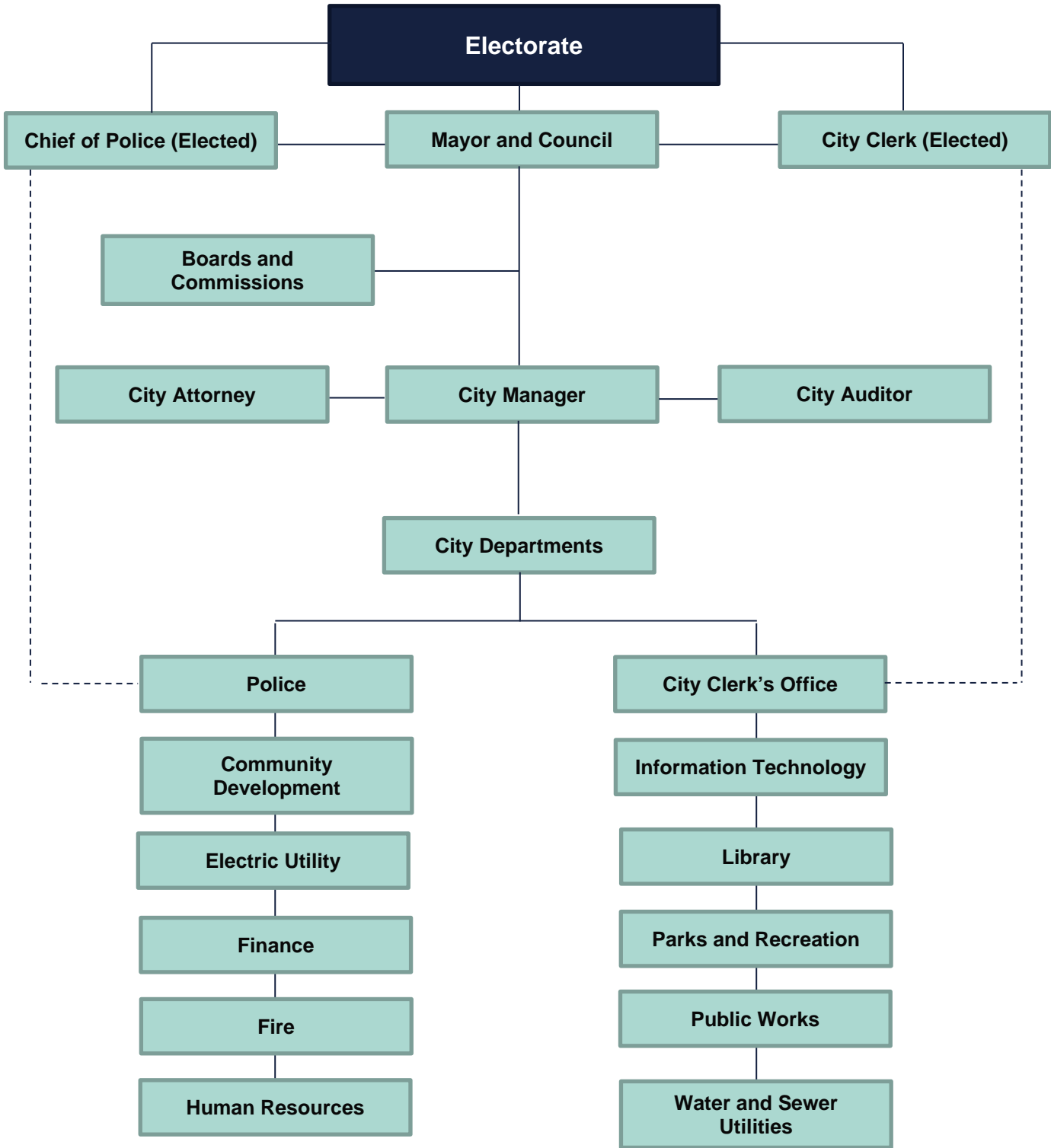
Director of Community Development

Andrew Crabtree

**As of March 2023*



CITY ORGANIZATION CHART





City Organization by Department/Division/Program

Mayor and City Council Offices

Mayor and City Council

1611 – City Council Program

City Attorney's Office

City Attorney

2411 – Program Administration

2412 – Program Litigation

City Clerk's Office

Elected City Clerk

2314 – Elections

Assistant City Clerk

2311 – Council/Administration Support

2312 – Public Information/Legislation

Records Management

2313 – Political Reform Act

City Auditor's Office

City Auditor

3352 – City Auditor Administration

3353 – City Auditor Services

City Manager's Office

City Council Support

1021 – Policy Support for Decision Making

1022 – Intergovernmental Relations and
Advocacy

Leadership and Management Services

1031 – Day-to-Day Operations

1032 – Strategic Planning

1033 – Community Outreach and
Engagement

Community Development Department

Building

5532 – Plan Review and Permit Services

5533 – Field Inspection

5534 – Housing Inspection

Housing and Community Services

5542 – Federal State Grant

5543 – Neighborhood Conservation and
Improvement Program

5544 – Community Development

5545 – Affordable Housing

5546 – Housing Authority

5547 – City Affordable Housing

5548 – Community Development Housing
Successor

Planning

5522 – Development Review

5523 – Advanced Planning

5524 – Historical Preservation

5525 – Code Enforcement



Electric Utility Department *

Administrative and Business Services

- 1311 – Financial Services
- 1316 – Administrative Services

Customer Development and Project Management

- 1361 – SVP Engineering

Resource Planning and Engagement

- 1312 – Public Benefits
- 1313 – Key Accounts
- 1315 – LCRE Program
- 1317 – Fiber Program
- 1319 – SVP Electric Vehicle Program
- 1325 – Greenhouse Gas Program
- 1356 – Resource Management
- 1358 – Risk Management and Settlements

Revenue and Resources

- 1321 – Revenues and Resources Costs
- 1326 – Resource and Production

Utility Operations

- 1324 – Electric Compliance
- 1351 – SVP System Support
- 1362 – Power System Controls
- 1371 – Communications & Meter Technical Support
- 1372 – Substation Maintenance
- 1376 – Transmission & Distribution
- 1377 – Generation Maintenance

* This reflects various program and division changes effective FY 2023/24. For more information, refer to the Electric Utility Department Section – Budget Summaries.

Finance Department

Accounting

- 3322 – General Accounting

Administrative Services

- 3362 – Citywide Fiscal Planning

Budget

- 3315 – Budget and Financial Analysis

Municipal Services

- 3332 – Utility Billing Services
- 3333 – Revenue Receipting/Cashiering
- 3334 – Business Certificate
- 3335 – Field Services
- 3336 – Administration
- 3337 – Contact Center/Communication

Purchasing

- 3341 – Warehouse
- 3343 – Purchasing
- 3344 – Mail Services

Fire Department

Administration

- 7811 – Administration

Community Risk Reduction

- 7831 – Administration / Investigation / Education
- 7832 – Prevention and Hazardous Materials
- 7833 – Certified United Program Agency (CUPA)
- 7834 – Development Services
- 7835 – Non-Development Services
- 7836 – Development CUPA
- 7837 – Non-Development CUPA

Emergency Medical Services

- 7861 – Emergency Medical Services

Field Operations

- 7822 – Emergency Response

Office of Emergency Services

- 7871 – Office of Emergency Services (OES)

Training

- 7841 – Training – Fire



Human Resources Department

Employee Benefits and Records

2514 – Records – Compensation

2515 – HR Workers' Compensation & Safety

Recruitment, Classification and Staff Development

2521 – Selection – Classification

2525 – Recruitment, Staff Development and Labor Relations

Information Technology Department

Contract Services

1931 – Contract Services

Enterprise Services

1911 – Application Services

1912 – IT Web Services

1913 – GIS Services

Infrastructure and Support

1921 – Infrastructure and Support

Telecommunication Services

1941 – IT Telecommunication Services

Library Department

Administration

1221 – Administration

1263 – Literacy Grants

Adult Services

1234 – Read Santa Clara

1241 – Reference and Adult Collections

1244 – Local History

Branch Services

1233 – Mission Library

1235 – Northside Branch

1236 – Bookmobile and Mobile Library Services

Customer Services

1245 – Customer Services

Facilities

1271 – Facilities

Technical and Technology Services

1251 – Technical Services

1272 – Technology

Youth Services

1231 – Youth Services

1232 – Library – Young Adult

Parks and Recreation Department

Administration

1121 – Administration

1122 – Park Development

1123 – Park Projects

1151 – Teen Activities

1157 – Special Recreation

1171 – Citywide Special Events

Cemetery

0125 – Perpetual Care

0131 – Endowment Care

1162 – Maintenance of Grounds

1163 – Maintenance of Buildings

1164 – Operations

Parks

1132 – Parks

1133 – Pools

1134 – Buildings

1135 – Operations

Recreation

1141 – Health and Wellness

1142 – Recreation – Administration

1143 – Youth Activity Center and Programs

1144 – Senior Center & Therapeutic Recreation Programs

1145 – Community Recreation Center and Programs

1146 – Recreation Facilities

1147 – Aquatics

1148 – Sports and Athletics

1149 – Teen Center Activities and Programs

Senior Nutrition Program

1112 – Senior Nutrition Program



Police Department

Administrative Services

- 7742 – Administration
- 7744 – Professional Stand
- 7745 – Department Support
- 7746 – Community Services Police
- 7747 – 911 Dispatch/Communications
- 7752 – Police Grants

Communication Acquisitions

- 7781 – Communication Equipment
Amortization

Field Operations

- 7722 – General Patrol
- 7723 – Traffic
- 7724 – Emergency Response/Temporary
Holding Facility

Investigations

- 7732 – General Investigation
- 7733 – Special Enforcement Team
- 7734 – Records

Special Operations

- 7761 – Special Operations General
- 7764 – Special Operations – Specialized
Teams
- 7765 – Special Operations – Reserves

Department of Public Works

Engineering – Administration

- 4411 – Administration – General Services
- 4412 – Administration – Developer Projects
- 4413 – Administration – Capital
Improvement Projects

Engineering – Design

- 4441 – Design – General Services
- 4442 – Design – Developer Projects
- 4443 – Design – Capital Improvement
Projects

Engineering – Field Services

- 4461 – Field Services – General Services
- 4462 – Field Services – Developer Projects
- 4463 – Field Services – Capital
Improvement Projects

Engineering – Land and Property

Development

- 4451 – Land and Property Development –
General Services

Department of Public Works

- 4452 – Land and Property Development –
Development Support

Engineering – Traffic

- 4431 – Traffic – General Services
- 4432 – Traffic – Developer Projects
- 4433 – Traffic – Capital Improvement
Projects
- 4434 – Traffic Signal Management
- 4435 – Traffic Striping and Signing

Facility Services

- 2222 – Maintenance Repair
- 2223 – Janitorial
- 2961 – Convention Center Maintenance
District

Fleet Management

- 2111 – Fleet Acquisitions
- 2123 – Fleet Operations

Streets

- 2911 – Street Maintenance
- 2921 – Storm System Maintenance
- 2924 – Non-Point Source
- 2931 – Garbage Collection
- 2932 – Clean Green Collection
- 2933 – Clean Up Campaign
- 2934 – Residential Recycling
- 2935 – Street Sweeping
- 2936 – Household Hazardous Waste
- 2941 – Parking District Maintenance
- 2951 – Landscape Maintenance
- 2952 – Street Tree Program
- 2971 – Traffic Maintenance



Water and Sewer Utilities Department

Recycled Water Program

- 1522 – System Maintenance
- 1525 – South Bay Water Recycling
Maintenance

Sewer

- 1511 – System Administration
- 1512 – System Maintenance
- 1514 – Operations
- 1515 – San José-Santa Clara Water
Pollution Control Plant
- 1516 – Storm Pump Maintenance
- 1519 – Debt Service

Solar Utility

- 1532 – Solar – System Maintenance

Water Construction, Maintenance, Operations

- 1422 – Water System Maintenance
- 1423 – Water Construction
- 1424 – Water System Operations

Water Engineering, Compliance, Conservation

- 1411 – Administrative Design
- 1412 – Water Quality
- 1413 – Water Resources

Non-Departmental

Citywide Programs

- 3611 – Citywide Programs

Citywide Strategic Programs & Initiatives

- 3631 – Citywide Strategic Programs &
Initiatives

Stadium Operations

- 3621 – Stadium – General Administration
- 3622 – Stadium – Police
- 3623 – Stadium – Fire
- 3624 – Stadium – Public Works
- 3625 – Stadium – Information Technology

BUDGET AND FISCAL POLICIES

We present the relevant policies and practices that define specifically the way the City manages its budget, reserves, interfund loans, investments, and debt with the goal of long-term fiscal sustainability. The City Council reviews and approves budgetary policies as part of the annual budget process. Investment and debt policy statements are referenced in this section; however, reviewed and approved by the City Council under separate cover.

Appropriation Control

The City Council is responsible for approving the appropriation of fiscal resources to cover estimated expenditures for each fiscal year. Expenditures are appropriated in each fund to departments, offices, and agencies for various goods, services, and capital projects described in the budget. The legal appropriation control is established at the department level in each fund. For select funds where expenditures are not allocated to a specific department, the appropriation control is established at the fund level. For capital funds, the appropriation control is at the project level. Transfers of funding between budgetary funds require City Council appropriation and approval. City Council approval is required for a budget amendment during the fiscal year which may include the use of reserves or fund balances, and approval of appropriations of grant monies. Per Article XIII, Section 1305 of the City Charter, appropriations lapse at the end of each fiscal year; therefore, unencumbered funds allocated for specific projects, donations, and grants require City Council appropriation for use in the following fiscal year.

Budgetary transfers between accounts or expenditure category may be done through Finance Department or City Manager's Office approval as long as they are conducted within the legal appropriation control limit set by the City Council.

Balanced Budget

The City Council considers General Fund budget decisions with long-term implications based on information from the Ten-Year Financial Forecast. One-time sources are used to cover one-time uses. The budget is structurally balanced when forecasted ongoing sources cover ongoing uses. Budgets shall be structurally balanced to the extent possible. Reserves should be considered to balance a budget only in the context of a plan to return to a structural balanced budget.

Budget Monitoring and Reporting

Financial reports on actual performance in relation to budget are prepared by the Finance Department through monthly financial statements. These reports are prepared and presented to the City Council, per City Charter requirements (Section 802) the City Manager shall be required to keep the City Council advised of the financial condition and future needs of the City. City Departments are responsible for reviewing these monthly financial reports and identifying potential budget problems and recommending corrections through budget amendments.

Long Term Financial Forecast

The Finance Department prepares a Ten-Year General Fund Financial Forecast which is incorporated into the budget planning process and presented to the City Council annually. This forecast is updated annually and considers current and future economic conditions, revenue projections, and spending scenarios based on the

latest available assumptions. Capital improvement plans are created and published on a five-year basis to provide a long-term plan of the City's capital funding plan.

Municipal Fees and Charges

User fees are reviewed and adjusted for on an annual basis with the goal of maximizing cost recovery. The City Council may consider and approve any fee that is below 100% cost recovery, requiring a General Fund subsidy if it is in the public's best interest. User fees are adopted by the City Council annually through the Municipal Fee Schedule. Utility fees and certain other fees and assessments can also be approved separate from the Municipal Fee Schedule. Parks and Recreation fees are established by the Parks and Recreation Director and published in the Activity Guide.

Capital Planning

The City Council reviews and adopts a two-year Capital Improvement Program Budget which includes a five-year capital improvement program. Projects included in the capital improvement program are to be consistent with the City's General Plan. Per State Government Code Section 65401, the Planning Commission reviews the capital improvement program for conformance to the City's General Plan and proposes recommended considerations for the City Council. Funding sources are identified for all projects included in the capital improvement plan.

The Capital Improvement Program (CIP) is submitted by City departments and reviewed by the City Manager's Office, the Finance Department, and the Public Works Department. The review process considers City priorities and identifies the most urgent projects for capital funding by program area, master plans, or needs assessments which identify the most critical projects for repair and replacement.

Department of Public Works staff reviews project estimates and evaluates the current bidding environment. Project contingency reserves are established based on the type of project and the project estimate type (engineering or preliminary estimates). Operating and maintenance costs are identified for planning purposes when projects are completed and come online.

General Fund Reserves

The City Council allocates available resources to General Fund contingency reserves through various reserves designated for emergency use or restricted future uses. Restrictions are established by policy, or through legally segregated development-related fee reserves collected from users.

- Budget Stabilization Reserve – is used as an allocation for weathering economic downturns, emergency financial crises, or disaster situations. The reserve target is equal to the cost of the City's General Fund operations for three months (90-day working capital reserve).
- Capital Projects Reserve – is used to support the City's CIP. The minimum target is \$5.0 million with a goal of having sufficient funds to fund capital projects included in the City's biennial capital budget and five-year CIP.
- Land Sale Reserve – this reserve allocates proceeds from the sale of City-owned land
- Advanced Planning Fee Reserve – this reserve allocates a portion of user fees for the update and amendment of the City's General Plan. Individual user fees are included and approved under separate cover as part of the Municipal Fee Schedule.

Utility Funds Reserves

The City is responsible for operating and maintaining several utilities, including electric, potable water, recycled water, and sewer. Regular cost of service studies are performed to evaluate rates and charges for each utility with forecasted revenue requirements and projected expenditures. One component of this analysis is the determination of adequate reserve levels to cover shortfalls in operating revenues, address unforeseen operating and capital expenditures, cover day-to-day operating costs during emergency situations, maintain strong bond ratings, and ease the burden on ratepayers associated with large rate increases. The following reserves address these needs:

- Operations and Maintenance Reserve – this reserve is used to cover day-to-day expenses, address unforeseen cost increases or revenue shortfalls, and protect against emergency financial crises or disaster situations. The reserve target is equal to the cost of the individual utility's operations for three months (90-day working capital reserve). Due to large fluctuations and variability in the energy market, the Electric Utility Operations and Maintenance Reserve has a target ranging from 90 to 180 days of operations. For the Electric Utility, the Operations and Maintenance Reserve, together with the Rate Stabilization Reserve (as described below), comprise the Electric Utility Rate Stabilization Fund established and maintained by the Electric Utility for purposes of its bond indenture.
- Infrastructure Reserve – this reserve is used to support each utility's CIP or fund unforeseen and unbudgeted capital costs. The reserve target is equal to an average annual CIP budget, as calculated over a 48-month period of budgeted CIP expenses as presented in the Biennial Capital Improvement Program Budget. At minimum, the target is to reserve 20% of the average annual CIP budget amount. For the Electric Utility, this reserve is based on an analysis of critical infrastructure, the likelihood for replacement, and the estimated replacement costs, evaluated regularly by SVP.
- Rate Stabilization Reserve – this reserve is used to absorb short-term revenue shortfalls and is designed to stabilize utility rates and avoid wide swings in rates charged to utility customers over time. The minimum reserve target is a balance equal to 10% of each utility's projected current year rate payer revenue. For the Electric Utility, the Rate Stabilization Reserve, together with the Operations and Maintenance Reserve (as described above), comprise the Electric Utility Rate Stabilization Fund established and maintained by the Electric Utility for purposes of its bond indenture.
- Special Projects Reserve – this reserve sets aside funds for large or longer-term CIP projects or other special purposes to lessen fluctuations in rates and support long-term planning efforts. While no general target is established for this reserve, the amounts will be established by each utility based on need.

In addition to the reserves cited above, reserves may be established to address specific needs or requirements of an individual utility. This may include required reserves in restricted funds, such as the reserves in the Electric Operating Grant Trust Fund for public benefits, low carbon fuel, and greenhouse gas.

Other Reserves

The City may include additional reserves set aside for specific purposes based on legal, policy, or budgetary purposes. Some of these include reserves for historical preservation, pension costs, vehicle or fleet replacement, workers' compensation costs, or to fund potential future general liability claims against the City.

- Pension Stabilization Reserve – this reserve sets aside funds to address the City's pension unfunded accrued liability. The targeted annual funding contribution is 1% of the City's unfunded pension liability.

Interfund Loans and Advances

Interfund loans are loans from one City fund to another City fund for a specific purpose, with a requirement for repayment. Interfund loans should be short-term in nature and shall not be used to solve ongoing structural budget deficits. The department managing the borrowing fund should complete the interfund loan agreement. The agreement should include the amount requested, loan period, description of the loan, and repayment terms. Interest shall accrue at the City's pooled investment rate at the time of the loan approval. A summary of any outstanding loans is included in the City's Annual Comprehensive Financial Report and Biennial Budget. In addition, advances from the General Fund that have been approved by the City Council may be paid back by other revenue sources.

Investment Policy

The City undertakes investment related activities that are made with prudence. On an annual basis, the City formalizes these activities in the Investment Policy Statement which is adopted by a resolution of the City Council (<https://www.santaclaraca.gov/home/showdocument?id=66753>). The policy is to invest public funds, including bond proceeds, reserves and other special City funds, in a manner which will provide maximum security while meeting the daily cash flow demands of the City and providing the highest investment return and conforming to all state and local statutes governing the investment of public funds.

The City of Santa Clara Charter gives the Director of Finance the authority and responsibility to deposit and invest all City funds. It authorizes the Director of Finance to invest the City's idle cash in allowable investment vehicles with a maximum remaining maturity of five years by settlement date. The City Council may grant express authority either specifically or as part of an approved investment program to invest in vehicles with remaining maturity that exceeds the five-year restriction. Authority must be given to the Director of Finance at least three months prior to the investment. California Government Code also allows the City to invest in the same investment vehicles as authorized by the City Council. The Director of Finance establishes written depository and investment policy procedures for the operation of the investment program consistent with the City Investment Policy, establishes a process of independent review by an external auditor, and provides monthly investment reports to the City Council.

Debt Policy

The City believes that debt is an equitable means of financing projects and represents an important source of meeting fiscal responsibilities. The City obtains and maintains long-term debt for large capital improvement projects. The Finance Department manages the City's debt with prudence, diligence, and attention to prevailing economic conditions and applicable laws. It manages issuance of debt, administers debt proceeds, prepares ongoing disclosure, handles debt and tax compliance, and makes debt service payments. City departments with debt-financed capital programs coordinate with the Finance Department in implementing and handling debt related transactions. Semiannual updates are prepared by the Finance Department on outstanding debt for the City of Santa Clara, its Agencies, and Corporations. This report is presented as a standard management practice that provides a valuable overview of the current status of the City's long-term debt obligations. The current City Council approved debt policy can be found online at: (<http://santaclaraca.gov/home/showdocument?id=63748>).

Donation Policy

Donations may be offered in the form of cash, real or personal property. "Designated" donations are donations where the donor specifies intended use by a particular City department, location, or purpose. "Undesignated" donations are given to the City as a whole, for an unspecified use. Donations of any kind which might be perceived or interpreted as an attempt to influence actions of the City Council or City Administration will not be accepted. All donations are presented to the City Manager for compliance with the policy. As part of the annual budget process, for anticipated monetary donations, staff will bring forward for Council consideration a balanced appropriation for revenue and expenditures to facilitate the acceptance of donations throughout the fiscal year. Donations valued at \$100,000 or greater require City Council acceptance and appropriation of funds. Donations valued less than \$100,000 may be accepted with the monetary donations available to departments for expenditure as part of the adoption of the annual budget. A report of all donations received by the City is presented to City Council as part of the Monthly Financial Report. The appropriation of anticipated donations can be found in each respective City department and corresponding Source and Use of Funds Statement in this document.

Community Grants Policy

The budget includes an allocation of \$100,000 for Community Grants to offset the cost of City fees in support of the Council approved Community Grants Policy. Annually, and subject to availability of funds, the City Council shall establish grant appropriations as part of the approval of the budget. Community grants, subject to availability of funds, shall not exceed \$10,000 per applicant, per year. To receive grant funds, grant applications must be submitted at least 90 days before the planned event/activity being funded, regardless of the form of the grant, and will be evaluated by the City Manager's Office on a case-by-case and "first come-first served" basis, throughout the fiscal year. Applicants are encouraged to submit their applications at the beginning of the fiscal year, for events or activities occurring at any time during that fiscal year, to maximize opportunity for availability of funds. The City Manager's Office shall approve or deny an applicant's request based upon eligibility criteria, and subject to funding availability as approved by the City Council through the adoption of the annual budget. Grants for community events shall not be provided for waiver of or reimbursement for already discounted permit fees. Grants for attendance at youth state, national, or international competitions or performances shall be limited to costs of registration, hotel, transportation, and food for participants and coaches/chaperones only. Due to short notice, to advance to state, national, or international competitions, applicants shall submit an application within one week of advancing to such competitions. In all cases, the City reserves the right to reject any and all applications in the event the City Manager's Office identifies a potential conflict of interest or the appearance of a conflict of interest. Submission of an application in no way obligates the City to award a grant and the City reserves the right to reject any or all applications, wholly or in part, at any time, without penalty.

Stadium Authority Policy

The Stadium Authority exists as a public body, separate and distinct from the City, and is established to provide for development and operation of Levi's Stadium. It is structured so that the City will not be liable for debts or obligations of the Authority. The governing board duties and the fiscal policies that govern the Stadium Authority are included in the stand-alone Operating, Debt, and Capital Budget that is adopted by the Stadium Authority Board. This can be found at <https://www.santaclaraca.gov/our-city/santa-clara-stadium-authority>. This budget reflects the revenues and expenditures related to the support of the Stadium and can also be found in the General Fund Non-Departmental section of this document titled Stadium Operations.

Policy Development

Staff has established this Budget and Fiscal Policies section in an effort to improve governance, transparency, and establish policies to govern the budget. These policies will be reviewed annually and enhanced as capacity allows.



OUTSTANDING LOANS AND ADVANCES

Interfund loans are loans from one City fund to another City fund for a specific purpose, with a requirement for repayment. A detailed listing of outstanding loans and advances is included in the following table:

Receiving Fund	Originating Fund	Loan/Advance Details (Payback Source, Term, Interest Rate)	Outstanding Amount (as of June 30, 2022) *
Parks and Recreation Capital Fund	General Fund (May 22, 2018, RTC 18-124) Loan for the Reed Street – Grant Street Sports Park Project from the Land Sale Reserve	This loan bears interest based on the City's weighted average portfolio rate. This loan will be repaid in annual installments from Mitigation Fee Act revenue (25% of the revenue is allocated for loan repayment) until the loan is paid in full.	\$ 5,539,540
Total Interfund Loans and Advances			\$ 5,539,540

* The loan was fully repaid on March 21, 2023 (Report to Council 23-316) from Mitigation Fee Act revenue received in FY 2022/23.

Budget Guide

The following information is presented to help the reader understand the way the City allocates budgets and accounts for the operations of the City. Explanations are presented in two categories: Budget Book Details and Fund Accounting.

UNDERSTANDING THE OPERATING BUDGET

Budget Definition

The budget of the City is a detailed operating plan that identifies estimated costs and program benefits in relation to estimated revenues. The budget is prepared in accordance with Generally Accepted Accounting Principles (GAAP), except encumbrances which are recognized as expenditures when legal contracts or commitments are entered into. The budget for governmental funds has been prepared on a modified accrual basis, recognizing revenue when they are measurable and available to be used to finance expenditures in the fiscal year. Expenditures are recognized when they occur, regardless of when cash is received or disbursed. The budgets for proprietary funds are prepared on a full accrual basis, recognizing revenue and expenditure activity for the fiscal year for which the activity occurred. The budgetary accounting basis and the consolidated annual financial reports include the reconciliation between GAAP modified and/or full accrual accounting for the financial reports and the budgetary basis budget. All of the year-end financial reports are kept on the basis of modified or full accrual accounting. The budget includes the adopted services to be provided during the fiscal year and the associated appropriations to cover the costs of the adopted programs, projects, services, and activities. These are funded by the estimated revenue and/or fund balance available to finance the adopted service levels.

Budget Process

The budget process is the mechanism through which policy decisions are made, implemented, and controlled. The City Charter requires that the City establish a budgetary system for general operations and prohibits expending funds for which there is no legal appropriation. The City is required to adopt an annual operating budget on or before June 30 for the ensuing fiscal year that begins July 1.

The procedures to establish the budget are as follows:

1. In October and November, departments review their annual budget to determine what their base budget needs to be for the following year, in order to keep the City Council-approved level of service currently provided. Once these adjustments are identified, base budget requests are submitted to the Finance Department for review.
2. After receiving all base budget requests and corresponding back-up documentation to support the requests, the Finance Department meets with the City Manager's Office to review all department requests. Once these meetings take place, the base budget is established for each department.
3. The City Manager's Office, along with the Finance Department, coordinate a citywide presentation to kick off the budget process to provide a brief overview to departments of what is expected in their submissions as well as a timeline of due dates for service level change requests.

Budget Process

4. In February/March, there is typically a City Council operating and strategic priority setting retreat. Any recommendations that come forward during this retreat are incorporated into service level change requests. During this retreat, the Ten-Year General Fund Financial Forecast is also presented to City Council.
5. Departments submit to the Finance Department all service level change requests for the operating budget, as well as any critical needs for adjustments in their Capital Improvement Program budget. The Finance Department reviews all submissions, working with departments to resolve any questions or outstanding issues.
6. Budget meetings are held between the City Manager's Office and the Finance Department to review all service level change requests in both the operating and capital improvement program budgets. After these meetings have taken place, decisions are finalized based on the items presented, balancing each fund's budget and incorporating City Council priorities.
7. The City Manager submits to the City Council a proposed operating budget for the two following fiscal years, as well as any capital adjustments for the following fiscal year, commencing July 1. Submission to City Council is at least thirty-five (35) days prior to the beginning of each fiscal year.
8. Public hearings are conducted to obtain City Councilmembers' and residents' comments. Copies of the proposed budget shall be available for inspection by the public in the office of the City Clerk at least ten days prior to these hearings.
9. The budget is legally enacted through passage of a minute order.

From the effective date of the budget, the amounts stated therein as expenditures/expenses, become appropriations to the applicable funds. In order to amend the budget during the year, departments must submit a Report to Council, explaining the need for the change and budget implications. Upon review and approval of the City Council, the budget may be amended. For the Operating Budget, the legal level of budgetary control is at the fund and department level. For funds that do not have an associated department, the legal level of budgetary control is at the fund level.

In addition to the biennial appropriated operating budget, every other year a Capital Improvement Program (CIP) Budget is adopted and a five-year capital needs plan is updated and accepted by the City Council for the City's anticipated capital projects to be funded over the next five years. For the CIP Budget, the legal level of budgetary control is at the project level.

Budget Book Details

The Operating Budget includes a ***City Manager’s Transmittal Letter*** that provides an overview of the organization, the short- and long-term issues facing the City, City Council priorities and the changes to the budget as they align to strategic initiatives.

The ***City Profile and Organization Chart*** section provides basic facts about the City, a detailed roster of elected officials including Boards and Commissions, the City’s executive team, comparison of key revenue and expenditure data to other local cities and the City organization chart.

The ***Budget and Fiscal Policies*** section provides detailed policy framework driving the development of the budget, including a glossary and acronym index.

The ***Budget Summary*** details the total City budget across all funds, with adjusting entries reconciling to a total net City budget.

The ***Summary of Budgeted Positions by Department*** details the City’s budgeted positions and reconciles changes throughout the year.

The ***Statement of Sources and Uses of Funds*** section details revenues, expenditures and fund balance position including prior year actual activity, current year budget and estimated revenue and expenditures, and two-adopted budget years. This section is organized by accounting fund type detailed later in this section.

The ***Debt Service*** section details the City’s debt policies, current long-term debt obligations, legal debt margin, and the ten-year debt service schedule for all outstanding debt issuances.

The ***Ten-Year Financial Forecast*** section includes overviews of the General Fund and selected other funds forecasts. These overviews include revenue and expenditure assumptions.

Department sections detail each department mission and objectives broken into divisions and programs. A summary of accomplishments from the past year, objectives for the next two years and budget highlights are included. A table summarizing Dollars by Division and Program, Dollars by Fund, and Dollars by Category provide multiple views of the budgeted dollars. Position budgets are developed initially in the fall of the preceding year with an interface of salary and benefits data with the Human Resources/Payroll system. These positions are reviewed and amended based on Council-approved service levels with allocations reflected by fund, division, and program. A summary of positions by division and program, by fund, and by job classification are included in each department. Budget reconciliations are included in each department section. This section summarizes changes from the prior Adopted Budget, including one-time and ongoing changes to the Base Budget and Service Level Changes. After the budget reconciliation are the service level change items. This portion of the department section includes a description of the action, the dollar amount in each adopted year and any associated position change. Each service level change discusses the performance impact and notes the alignment to the City Council priorities represented in a strategic pillar.

Categories of Expenditures

Salaries – Includes regular salaries, overtime pay, vacation pay, holiday, separation payouts, and premium pays such as out-of-class pay, night differential pay, hazard pay, evidence tech pay, and paramedic pay. These costs are primarily driven by the number of positions budgeted within the program.



Benefits – Includes Medicare, social security, health allocation, other post-employment benefits (OPEB), and CalPERS retirement costs. Other benefits such as Voluntary Employee Beneficiary Association (VEBA), dental, life insurance, uniform allowance, meal allowance, employee assistance program, auto allowance, mobile phone allowance, and professional development are included, if applicable.

Materials/Services/Supplies – Includes all expenditure items that the department has direct control over such as contract costs, supplies, equipment purchases, and utility charges. For the second year of the Biennial Operating Budget, a 2% increase to costs has been applied to most line items.

Resource and Production – Consists mainly of costs related to the purchasing or generating of electricity, water, or recycled water as well as disposing of solid waste matter and sewage effluent for the respective City utilities.

Services from Other Funds – Cost Allocation Plan – Includes central services costs (e.g., Human Resources, Finance, City Manager's Office, City Attorney's Office) that are allocated to funds as calculated in the Cost Allocation Plan. The Cost Allocation Plan costs, which are typically termed "citywide overhead", are allocated to departments and funds receiving the support based on an allocation factor, such as employee count or budgeted expenditures. The Cost Allocation Plan is typically updated by a third-party consultant every two or three years and include modest increases between updates.

Interfund Services – Includes allocated charges for services provided by various departments or central costs as budgeted in the City's internal service funds. Citywide liability claims costs, vehicle maintenance and replacement, unemployment insurance, workers' compensation costs, communications equipment, and information technology costs are reflected in internal service funds and the costs are apportioned to departments or funds in the City based on an appropriate allocation factor for each internal service fund.

Capital Outlay – Includes small capital expense purchases not budgeted within the Capital Improvement Projects budget. Most individual capital purchases with a cost of less than \$5,000 are expensed in this category.

Transfers to Other Funds – Includes all money moving to other funds. Transfers can be between the operating and capital improvement program budget to provide funding for capital projects or between different operating funds. Transfers to other funds are included in the department budget sections.

Debt Service – Funding provided to pay for the City's Debt Service obligations. These costs have been excluded from department budgets and detailed in a separate Debt Service section in the document.

Strategic Pillars

The following are the strategic pillars established by the City Council to provide a framework for this budget document. In each department section, service level changes and performance and workload measures aligned to one of the Council-approved pillars below:



Enhance Community Engagement and Transparency



Deliver and Enhance High Quality Efficient Services and Infrastructure



Manage Strategically Our Workforce Capacity and Resources



Promote and Enhance Economic, Housing and Transportation Development



Promote Sustainability and Environmental Protection



Enhance Community Sports and Recreational and Arts Assets



Ensure Compliance with Measure J and Manage Levi's Stadium



Performance and Workload Measures

In program budgeting, Performance and Workload Measures are used to measure the performance of the department. These measures align budget dollars allocated to provide services with City Council priorities through Strategic Pillars in an effort to drive budgetary decision making. These measures provide insight into how efficiently or effectively the City is providing services in each major program. They are the measures through which the value of services can be assessed by Council and the public. Workload measures provide insight into the volume of effort that is required to provide each service. Performance and Workload Measures tend to remain the same year after year to provide longitudinal data which allows trends to be evaluated. There are, however, some programs which do not have performance measures. These are in areas where quantifiable results are either not appropriate or where it would be too costly to gather the information. Additionally, there are programs where there are no results/budget for particular years, as noted by "N/A". This typically indicates that the measure was: (1) new for the budget year, (2) the program is closed/closing for the budget year, or (3) the measure moved to another program due to a department reorganization of structure. All measures are tied to a strategic pillar, displayed by the icons in the Performance and Workload Measures tables. Performance and Workload Measures proposed for addition or deletion are noted on each measure.

Fund Accounting

The accounts of the City are organized and operated on the basis of funds, each of which is considered a separate accounting entity. Government resources are allocated to and accounted for in individual funds based upon the purposes for which the resources are to be spent. A general description of each follows:

Governmental Fund Types

Governmental funds are those through which most governmental functions of the City are financed. The following are the City's Governmental Fund Types:

General Fund - Used to account for the general operations of the City.

Special Revenue Funds - Used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes. Examples of Special Revenue Funds include the Downtown Parking Maintenance District Fund and the Housing Authority Fund.

Debt Service Funds - Used to account for the accumulation of financial resources to be used for the payment of principal and interest on General Government Operating and Capital long-term obligations, which are not accounted for in proprietary funds.

Capital Improvement Program Funds - Used to account for financial resources to be used for the acquisition or construction of General Government major capital facilities. Capital projects funds are organized by the following fund groups: Enterprise, Streets and Highways, General Government, and Authority funds. Further information on these fund groups and the capital improvements they support can be found in the adopted Capital Improvement Program Budget book.

Proprietary Fund Types

Proprietary funds are used to account for the City's ongoing organizations and activities which are similar to those often found in the private sector. Proprietary Fund Types include Enterprise Funds and Internal Service Funds and are described as follows:

Enterprise Funds - Used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs and expenses, including depreciation, of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Examples of Enterprise Funds include the Electric Utility Fund and the Water Utility Fund.

Internal Service Funds - Used to account for the financing of goods, services or facilities provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. Services provided include vehicle replacement, vehicle maintenance and operations, information technology, communications equipment, public works capital projects management, special liability insurance claims, workers' compensation insurance and claims, and unemployment insurance. Examples of Internal Service Funds include the Special Liability Fund and Workers' Compensation Fund.

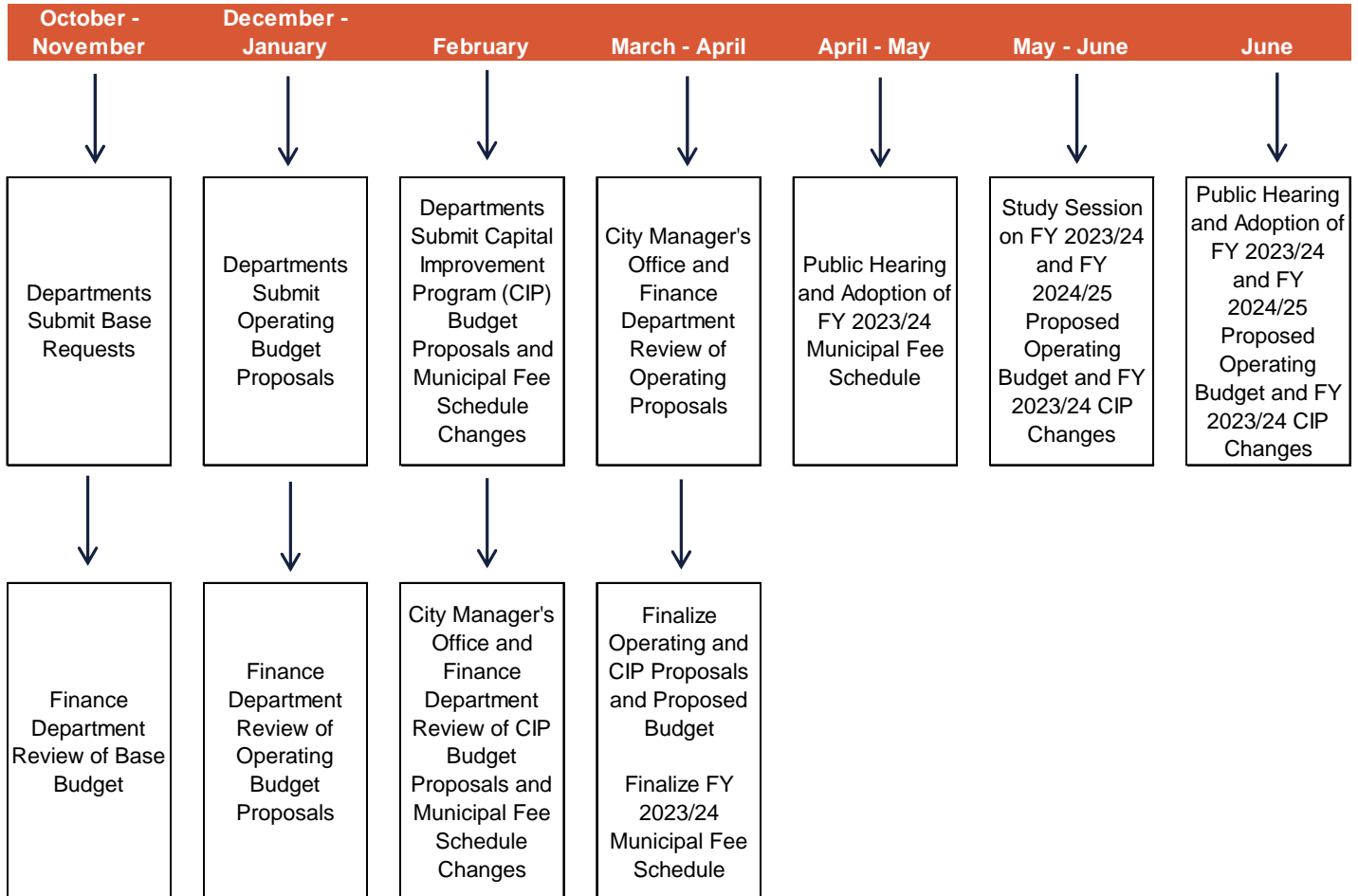
Fiduciary Fund Types

The City has three types of Fiduciary Funds: Agency Funds (e.g., Employee Benefit and Liability Clearing, Deposits), the Other Post Employment Benefit (OPEB) Plan Trust Fund; and the Private Purpose Trust Funds (e.g., Successor Agency). These funds are excluded from the budget because the City cannot use these resources to finance its own operations.

While each department section provides for a budget breakdown by fund, this budget document also includes statements of sources and uses for all of the City's funds, categorized by the type of fund as described above. Each of these financial statements includes the 2021/22 Actuals, 2022/23 Amended Budget, 2022/23 Estimate, and the 2023/24 and 2024/25 Proposed Budget. The 2022/23 Amended Budget is the adopted budget in addition to any budget amendments that were approved by City Council throughout the fiscal year, while the Estimate column shows what the expected revenue and expenditures will be for 2022/23. The Proposed Budget columns take into account the base budget plus all service level changes included in this document.



BUDGET CALENDAR



DRAFT BUDGET PRINCIPLES FOR FY 2023/24

1. Make decisions within the context of the City's Code of Ethics and Values, especially being Fiscally Responsible, Communicative, and Service-Oriented.
2. Consider budget decisions with long-term implications taking into account data from the Ten-Year Financial Forecast.
3. To the extent possible, align ongoing expenditures with ongoing revenues to avoid negative impacts on future budgets and maintain the City's high financial management standards.
4. When addressing General Fund shortfalls, use a combination of ongoing and one-time solutions to balance the competing goals of aligning ongoing revenues and expenditures and minimizing the service delivery impacts to the community.
5. Continue cost control measures until the ongoing General Fund revenues and expenditures are in alignment.
6. Approve an exception to the Council Policy that dictates setting the General Fund Budget Stabilization Reserve at or above 25% of adopted budget expenditures; set the Reserve level at a minimum of 15% of expenditures.
7. Focus on projects and services that benefit the community as a whole.
8. Pursue economic development objectives and strategies to foster new public and private investment within Santa Clara, and to create employment opportunities.
9. Balance between compensation adjustments to retain and attract employees and funding for positions.
10. Use one-time unrestricted revenues (e.g., annual General Fund surplus) for one-time uses such as increasing reserves, funding capital or Information Technology projects, paying off debt, and/or paying off unfunded pension or other post-employment benefits liabilities.
11. Inform and communicate clearly and broadly to residents, businesses and employees regarding the City's fiscal position and budget; schedule hearings to promote active participation in the City Council's budget deliberations.
12. With limited exceptions, establish fees based on full cost recovery where individuals/businesses rather than the community at-large are benefitting from City services. This preserves limited unrestricted resources for providing services that benefit the community as a whole.
13. Focus on business process redesign in order to improve employee productivity and the quality, flexibility, and cost-effectiveness of service delivery (e.g., streamlining, simplifying, reorganizing functions, and reallocating resources).
14. Explore expanding existing revenue sources and/or adding new revenue sources.
15. Engage employees to contribute new and innovative ideas during the department budget development process.
16. Use the General Plan as a primary long-term fiscal planning tool and link ability to provide City services to development policy decisions.



GLOSSARY

The following explanations of glossary and terms are presented to aid in understanding the information included in this document:

Abatement - A complete or partial cancellation of a levy imposed by a government and usually applied to tax levies, special assessments and service charges.

Accounting System - The total structure of records and procedures which discover, record, classify, summarize and report information on the results of operations and the financial position of a government or any of its funds, fund types, balanced account groups, or organizational components.

Accrual Basis of Accounting - A method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

Adopted Budget - The annual City budget as approved by City Council on or before June 30 for the fiscal year beginning July 1. This adopted budget establishes the legal authority for the expenditure of funds. This formal action by the City Council sets the spending path for the year.

Agency Fund – To account for assets held by the City as an agent for individuals, private organizations, other governments, and/or other funds.

Allocation - To divide or share out financial resources or expenditures for a specific purpose to particular funds or departments.

American Recovery and Reinvestment Act (ARRA) - An act established by the federal government in February 2009 whose intent is to create and save jobs, spur economic activity and focus on long term growth through the funding of various projects and initiatives.

Annual Comprehensive Financial Report (ACFR) - The official annual report of the City's financial condition at the conclusion of the fiscal year, June 30. The report is prepared to conform to Generally Accepted Accounting Principles (GAAP) for governmental units and provides a quantitative look at the operating success, financial health, and compliance of the City's reporting units.

Appropriation - A legal authorization granted by the City Council to make expenditures and to incur obligations for specific purposes. For purposes of the Capital Improvement Program (CIP) budget, appropriations are automatically renewed, for the life of the project, unless altered or revoked. For the operating budget, appropriations lapse at the end of the fiscal year to the extent they have not been expended or encumbered.

Appropriations Limit - The California State Constitution limits a city's appropriations growth rate to two factors: changes in population, and either the change in California per capita income or the change in the local assessment roll due to non-residential new construction.

Assessed Valuation - A valuation set upon real estate or other property by a government as a basis for levying taxes. In California, the assessed valuation subject to ad valorem tax levy is governed by Proposition 13 and AB8 (1978).



Assets - A probable future economic benefit obtained or controlled by a particular entity as a result of past transactions or events. This includes financial resources such as cash, receivables, inventory and plant and equipment, net of depreciation.

Audit - A formal examination of the City's accounts by an independent audit firm to determine whether the City's financial statements fairly present the City's financial position and results of operations in conformity with Generally Accepted Accounting Principles.

Authorized Positions - Regular positions authorized in the budget to be employed during the fiscal year.

Balanced Budget - The budget for a fund is balanced when total budgeted resources, including revenues, transfers in from other funds, and available fund balance from the previous year, meets or exceeds total budgeted uses of resources, including expenses and transfers out to other funds.

Base Budget - The ongoing expense level necessary to maintain service levels previously approved by the City Council.

Basis of Accounting - The timing of recognition, that is, when the effects of transactions or events are recognized for financial reporting or budgeting purposes. The three bases of accounting for governmental agencies are: (1) cash basis (when cash is received or paid), (2) accrual basis (when the underlying transaction or event takes place), and (3) modified accrual basis (revenues are recognized in the accounting period in which they become available and measurable and expenditures are recognized in the accounting period in which the fund liability occurred).

Beginning Fund Balance - The amount of prior year's unappropriated funds used to finance appropriated expenses in the current budget year.

Biennial Budget - A consolidated budget document presented on a biennial basis that includes the City's Operating Budget and CIP Budget. The Operating and Capital Budgets are presented in alternating years to the City Council for approval.

Bond - A city may raise capital by issuing a written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, together with periodic interest at a specific rate.

Bond Rating - An evaluation of a bond issuer's credit quality and perceived ability to pay the principal and interest on time and in full. Three agencies regularly review city bonds and generate bond ratings: Moody's Investors Service, Standard and Poor's and Fitch Ratings.

Budget - A plan of financial operation embodying an estimate of proposed expenditures for a given period and the estimated financial resources available to finance them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year.

Budget Public Hearing - A public meeting at which any member of the community may appear and be heard regarding any item in the proposed budget as presented by the City Manager to the City Council.



Budget Transmittal Letter - A general discussion of the budget as presented in writing by the City Manager to the City Council. The message contains an explanation of principal budget items and summaries found in the budget.

Budgetary Control - The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenses within the limitations of authorized appropriations.

Capital Asset - Land, buildings, equipment, improvements to buildings, and infrastructure (i.e., roads, bridges and other immovable assets). The City's policy is to capitalize equipment with a cost exceeding \$5,000 and building, improvements and infrastructure with costs exceeding \$20,000. A capital asset is defined as an asset with a useful life extending beyond a single accounting period.

Capital Improvement - A permanent addition to the City's assets, including the design, construction or purchase of land, buildings, or facilities, or major renovations of same.

Capital Improvement Program (CIP) Budget - A plan of annual appropriation for capital improvements and various kinds of major facility maintenance. These projects are often multi-year in length, which requires funding beyond the two-year period in the biennial budget.

Capital Outlay - A budget category which includes all equipment having a unit cost of \$1,000 or more, and an estimated useful life of over one year or capital improvements costing less than a certain dollar amount. Capital Outlay is budgeted in the operating budget in the Other Operating Expenditure Category.

Certificates of Participation (COPs) - This financing technique provides long-term financing through a lease, installment sale agreement or loan agreement. Certificates of Participation (COPs) allow the public to purchase participation in a stream of lease payments, installment payments or loan payments relating to the acquisition or construction of specific equipment, land or facilities. The lending agreement is secured by a lease on the acquired asset or other assets of the City.

Charges for Services - Fees and charges levied by City departments for services rendered (example: utility charges to customers, recreation program fees, engineering fees, etc.).

Community Development Block Grant (CDBG) - Provides eligible metropolitan cities and urban counties with annual direct grants to revitalize neighborhoods; expand affordable housing and economic opportunities; and/or improve community facilities and services, principally to benefit low- and moderate-income persons.

Community Facilities District (CFD) - A special district that can issue debt for the planning, design, acquisition, construction, and/or operation of public facilities, as well as provide public services. Special tax assessments levied by the district are used to repay the debt. A CFD can be formed only if approved by the majority of affected property owners.

Consumer Price Index (CPI) - A statistical measure of a weighted average of prices of a specified set of goods and services purchased by wage earners in urban areas.

Contingency - A budgetary reserve set aside for emergency or unanticipated expenditures, revenue shortfalls, and/or unknown expenditures.

Debt - Obligations of the City to repay, with or without interest, in installments and/or at a later date, some amount of money utilized resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds, notes and COPs.

Debt Financing - Issuance of bonds and other debt instruments to finance municipal improvements and services.

Debt Service - Payment of the principal and interest on an obligation resulting from the issuance of bonds, COPs or other debt instruments.

Deficit - An excess of expenditures or expenses over revenue (resources).

Department - An organizational unit comprised of divisions and/or programs. It is the basic unit of service responsibility encompassing a broad mandate of related activities. Department directors generally report directly to the City Manager's Office, for instance, Fire and Finance.

Depreciation - An allocation of the cost of fixed assets (buildings, plant or equipment) over the estimated useful life of the asset.

Designation - A portion of fund equity set aside by Council Action for a specific purpose.

Dissolution Act - Also known as Redevelopment Dissolution Act; on December 29, 2011 the California Supreme Court found the Dissolution Act (ABx1 26) constitutional in the California Redevelopment Association vs. Matosantos case. The Act continued the suspension and prohibition of most redevelopment activities in effect since late June 2011; dissolved RDAs as of February 1, 2012; created successor agencies and oversight boards; and established roles for the County-Auditor Controller, the Department of Finance and State Controller's Office in the dissolution process and satisfaction of enforceable obligations of former RDAs.

Division - An organizational unit within a City department. For instance, Fire Field Operations, Fire Community Risk Reduction, and Fire Training.

Encumbrance - Obligations in the form of purchase orders, contracts or salary commitments which are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when paid.

Enterprise Fund - Used to account for operations: a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs and expenses, including depreciation or capital replacement, of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Environmental Impact Report (EIR) - An assessment of the likely influence a project might have on the environment.

Equity - The net assets of a fund (i.e. the assets less the liabilities on a fund balance sheet).

Expenditure - Actual cash disbursements for the cost of goods delivered or services rendered to the City in a Governmental Fund.

Expenditure Object Category (Expenditure Category) - Expenditure categories are a group of similar expenditure objects.

Expense - The cost incurred from providing goods or services related to the City's operations in Proprietary Funds.

Fee - The payment for direct receipt of a public service by the party who benefits from the service.

Fiscal Year - The time period designated by the City signifying the beginning and ending period for recording financial transactions. Consistent with all cities and counties in the State of California, the City of Santa Clara has specified July 1 to June 30 as its fiscal year.

Franchise - A special privilege granted by a government, permitting the continued use of public property, such as city streets and usually involving the elements of a monopoly or regulation, for example cable TV, gas, refuse, and others.

Full-Time Equivalent - Refers to one full-time equivalent position, which equals 40 hours per week, 52 weeks per year.

Fund - An independent fiscal and accounting entity with a self-balancing set of accounts recording its assets, liabilities, fund equity, revenues and expenditures or expenses and other changes in residual fund equity or balances, segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, limitations or public policy.

Fund Balance - The amount of financial resources immediately available for use. Generally, this represents the difference between unrestricted current assets over current liabilities.

Fund Type - A category into which funds with similar characteristics are grouped. The fund types used in the City budget are General, Special Revenue, Capital Projects, Enterprise, Internal Service and Debt Service funds.

Gas Tax – State tax received from gasoline sales utilized solely for street related purposes, such as new construction, rehabilitation or maintenance.

General Fund - The primary fund of the City used to account for all revenues and expenditures of the City not accounted for in another fund. Examples of departmental operations accounted for in the General Fund include the City Council, Police and Fire Departments, Library, Parks and Recreation, and others.

Generally Accepted Accounting Principles (GAAP) - Uniform minimum standards and guidelines for financial accounting and reporting that govern the form and content of the financial statements of an entity. GAAP encompass the conventions, rules and procedures necessary to define accepted accounting practice at a particular time. GAAP provide a standard by which to measure financial presentations. The primary authoritative body on the application of GAAP to State and local governments is the GASB (Governmental Accounting Standards Board).

Governmental Accounting - The composite activity of analyzing, recording, summarizing, reporting, and interpreting the financial transactions of governments.

Governmental Accounting Standards Board (GASB) - The authoritative accounting and financial reporting standard-setting body for government entities.

Governmental Fund - A fund type to account for tax-supported activities. There are four different types of governmental funds: the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.

Grant - Contributions of cash or other assets from another government entity to be used or expended for a specific purpose, activity or facility. An example is the Community Development Block Grant given by the federal government.

HOME Program – Federal housing assistance program that provides funds to low- and very low- income families for both rental units and privately-owned dwellings.

Housing and Urban Development (HUD) - The Federal agency whose mission is to increase home ownership, support community development and increase access to affordable housing free from discrimination.

Housing Authority - The City of Santa Clara Housing Authority was established by Resolution 11-7827 on February 22, 2011 to ensure the provision of safe and sanitary housing for persons of low income.

Indirect Cost Allocation Plan - The City uses an indirect cost allocation plan to ensure that enterprises and certain special revenue supported operations pay for themselves and are not subsidized by City taxpayers. General Fund supported central services costs such as payroll, accounting, data processing, personnel, city management and facilities maintenance are allocated to those funds benefiting from these services based on statistical data reflecting use of these support services.

Infrastructure - Facilities on which the continuance and growth of a community depend on such as roads, water lines, sewers, public buildings, parks and airports.

Interest and Rent - Interest income on investments and rental income received on property owned by the City.

Interfund Services - Services provided by one fund within the City for the benefit of another fund for which the benefitting fund is charged a fee (e.g., payroll services for the Electric Utility Department).

Interfund Transfers - With Council approval, resources may be transferred from one City fund to another. The purpose of the majority of transfers is to reimburse a fund that has made expenditures on behalf of another fund. Less often, a transfer may be made to open or close a fund.

Intergovernmental - Revenue received from other government entities (e.g., grants).

Internal Service Funds - These funds account for special activities and services performed by a designated department for other departments in the City on a cost reimbursement basis.

Legal Debt Limit - Per section 6.07 of the City Charter, bonded indebtedness of the City may not exceed 10% of the total assessed valuation of property within the City, exclusive of any indebtedness incurred for the purpose of water supply, sewers or storm drains.

Levi's Stadium - The stadium is located at 4900 Marie P. DeBartolo Way, Santa Clara and is the home of the San Francisco 49ers professional football team. It has a permanent seating capacity of approximately 68,500 seats with expansion to approximately 75,000 seats for larger events, such as an NFL Super Bowl. The stadium was built based on the City of Santa Clara approved Measure J, the Santa Clara Stadium Taxpayer Protection and Economic Progress Act, on June 8, 2010.

Levy - An amount of taxes, special assessments or service charges imposed by a government for the support of government activities.

Liability - Probable future sacrifices of economic benefits arising from present obligations of a particular entity to transfer assets or provide services to other entities in the future as a result of past transactions or events. That is, a financial obligation or claim of financial resources of a specific fund to be liquidated at a future date.

Long-term Debt - Debt with a maturity of more than one year after the date of issue.

Mission - The overriding purpose of the department, division, or program.

Modified Accrual Basis of Accounting - Revenues are recognized in the accounting period in which they become available and measurable; expenditures are recognized in the accounting period in which the fund liability is incurred (if measurable), except for unmatured interest on general long-term debt and certain similar accrued obligations, which should be recognized when due.

Municipal Code - A compilation of City Council approved ordinances currently in effect. The Code defines City policy in various categories, for example, Civil Service rules, traffic regulations, sanitation and health standards, building regulations and planning and zoning regulations.

Object Category - See Expenditure Object Category.

Operating Budget - The portion of the budget that pertains to the City's daily operations and activities engaged in to provide services to the community. The operating budget contains appropriations for such expenditures as personnel (salaries, wages and benefits), supplies and materials, utilities, travel and fuel.

Ordinance - A formal legislative enactment by City Council. It has the full force and effect of law within City boundaries unless pre-empted by a higher form of law (State or federal). An ordinance has a higher legal standing than a resolution. Revenue raising measures, such as the imposition of taxes, special assessments and service charges are some examples of actions that would require the enactment of an ordinance.

Other Financing Sources - Changes in residual fund equity or balances not arising from revenues or expenditures/expenses. Includes governmental fund general long-term debt proceeds, amounts equal to the present value of minimum lease payments arising from capital leases, proceeds from the sale of general fixed assets and operating transfers in.

Performance Measures - This is a non-financial measurement of activity such as number of meters read, number of bills sent, number of customer service calls handled and response time to emergency calls. Performance-based budgeting incorporates performance measures into the budget process.

Program - A program is a specific service or activity that falls under departmental divisions. Programs provide for a lower level of detail regarding a Department's function. For instance, the Traffic Program under the Police Field Operations Division.

Property Tax - An ad valorem (based on value) tax on real property and tangible personal property levied by the local government on the property located within the City's jurisdiction. Property tax is determined by two factors: the assessed value of the property and the tax rate for the area in which the property is located.

Public Facilities Financing Corporation (PFFC) - The City of Santa Clara Public Facilities Financing Corporation (PFFC) was formed in 1997 for the purpose of issuing Certificates of Participation (COPs) to provide financing for the construction of major City facilities. Members of the City Council are also members of the PFFC Board. Debt service on the COPs is secured by lease payments made by the City's General Fund to the PFFC for the use of the constructed facilities for public purposes. In accordance with lease agreements, the PFFC assigns lease payments received from the City to the trustee for payment to the certificate holders.

Redevelopment Dissolution Act - See Dissolution Act.

Reimbursement - Repayments of amounts remitted on behalf of another party, or interfund transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it but properly applied to another fund.

Reserve - An account used to earmark a portion of fund balance to indicate that it is not available for expenditure or legally segregated for a specific future use.

Resolution - A special or temporary legislative order of the City Council/Agency/Authority. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the City. A resolution requires less legal formality and has a lower legal status than an ordinance.

Revenue - Resources received by the government available for use in supporting services including such items as taxes, fees, permits, licenses, grants and interest.

Risk Management - An organized attempt to protect a government's assets against accidental loss in the most economical method. The City is exposed to various risks of losses related to torts, errors and omissions, general liability, injuries to employees and unemployment claims. Claims, expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated using actuarial methods or other estimating techniques. These losses include an estimate of claims that have been incurred but not reported.

Sales Tax - A tax imposed by the government on retailers at the point of sale for the privilege of selling tangible personal property. It is usually calculated as a percentage of the selling price and collected by the retailer from the consumer. The rate in the City of Santa Clara is 9.125%.

Silicon Valley Power (SVP) - The City's Electric Utility Department provides electricity to City residents and businesses under the name Silicon Valley Power.

Special Assessment – A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Special Revenue Fund – A fund in which revenue collected is restricted by the City, State or federal government as to how the city might spend its resources.

Sports and Open Space Authority (SOSA) – The City of Santa Clara Sports and Open Space Authority (SOSA) was created by the City Council in 1974 for the acquisition and development of open space within the City. The members of the City Council are also members of SOSA's Board of Directors and, as such, are authorized to transact business and exercise power to purchase, lease or otherwise obtain and dispose of real and personal property, to acquire, construct, maintain, repair, manage and operate real and personal property, including leasing to private operators for commercial purposes, surplus space which is not economical to use for open space planning.

Stadium Authority – The Stadium Authority was established by the City Council in 2011 to provide for the development and operation of Levi's Stadium. The Stadium Authority's governing board is the seven members of the City Council. The Stadium Authority will own, develop, construct, operate and maintain the Stadium, and have all powers granted to it by the City. The Stadium Authority is a separate and distinct legal entity, and the City is not liable for the debts or obligations of the Stadium Authority.

Strategic Pillar – The City Council adopted seven focus areas for City operations: 1. Promote and Enhance Economic, Housing and Transportation Development; 2. Deliver and Enhance High Quality Efficient Services and Infrastructure; 3. Enhance Community Sports, Recreational and Arts Assets; 4. Enhance Community Engagement and Transparency; 5. Ensure Compliance with Measure J and Manage Levi's Stadium; 6. Manage Strategically our Workforce Capacity and Resources; and 7. Promote Sustainability and Environmental Protection.

Subsidy – A grant by a government entity to another government entity to pay all or a portion of an activity of the government deemed advantageous to the public.

Successor Agency to the Former Redevelopment Agency of the City of Santa Clara – Pursuant to State legislation ABx1 26, the "Dissolution Act," the Redevelopment Agency (RDA) of the City of Santa Clara was dissolved effective February 1, 2012. The City has elected to become the Successor Agency for the RDA non-housing functions, responsible for paying off the former Redevelopment Agency's existing debts, disposing of the former Redevelopment Agency's properties and assets to help pay off debts, returning revenues to the local government entities that receive property taxes, and winding down the affairs of the former Redevelopment Agency. The City has also elected to retain the former Redevelopment Agency's housing functions, including retaining all of the housing assets, rights, power, duties, obligations and functions previously performed by the Redevelopment Agency in administering its Low and Moderate Income Housing Fund.

Surplus – An excess of revenue (resources) over expenditures or expenses.

Taxes – Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. The term does not include specific charges made against particular persons or property for permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges as, for example, water service charges.

Ten-Year Financial Plan – A strategic planning document showing the estimated results of operations and capital improvement project requirements over the next ten years. This plan is reviewed and accepted by Council and no appropriations result from that acceptance.

Theme – The capital budget is aligned to twelve categories (Administrative Facilities, Community Facilities, Convention Center, Electric Utility, Other Community Projects, Parks and Trails, Sewer Utility, Solid Waste, Storm Drain, Technology and Equipment, Transportation, and Water and Recycled Water Utilities).

Tourism Improvement District (TID) – The Santa Clara Tourism Improvement District was established in 2004 as a marketing revenue supplement to assist the Santa Clara Convention and Visitors Bureau (CVB) with marketing the City of Santa Clara to hotel and convention center groups and visitors. The activities to be provided to the district will be funded by the levy of assessments.

Transient Occupancy Tax (TOT) – A locally controlled tax imposed on travelers who stay in temporary lodging facilities for stays thirty days or less. The rate in the City of Santa Clara is currently 11.5%.

Trust Fund – Used to account for assets held by the City in a trustee capacity.

User Charges – The payment of a fee for direct receipt of a public service by the party benefiting from the service.



ACRONYMS

AB	Assembly Bill
ACFR	Annual Comprehensive Financial Report
ADA	American with Disabilities Act
AIPG	All Inclusive Playground Grant
AMH	Automatic Handling System
ARPA	American Rescue Plan Act
ARRA	American Recovery and Reinvestment Act
ASAI	Average System Availability Index
BAREC	Bay Area Research Extension Center
BLS	Basic Life Support
BMP	Below Market Price
BNPEA	Bayshore North Project Enhancement Authority
BSR	Budget Stabilization Reserve
CAHF	City Affordable Housing Fund
CalOES	State of California Office of Emergency Services
CalPERS	California Public Employees' Retirement System
CCTV	Closed-Circuit Television
CDBG	Community Development Block Grant
CEQA	California Environmental Quality Act
CFD	Community Facilities District
CIP	Capital Improvement Program
CLT	Contribution In-Lieu of Tax
CMMS	Computerized Maintenance Management System
CNG	Compressed Natural Gas
COLA	Cost of Living Adjustment
COP	Certificates of Participation
COPS	Citizens' Option for Public Safety
CPI	Consumer Price Index
CPR/AED	Cardiopulmonary Resuscitation/Automated External Defibrillator
CPRS	California Parks and Recreation Society
CRC	Community Recreation Center



CSMFO	California Society of Municipal Finance Officers
CVB	Convention-Visitors Bureau
DA	Development Agreement
DDA	Disposition and Development Agreement
DTSC	Department of Toxic Substances Control
DVR	Donald Von Raesfeld Power Plant
EEO	Equal Employment Opportunity
EIR	Environmental Impact Report
EMS	Emergency Medical Services
EMT	Emergency Medical Technician
EOC	Emergency Operations Center
EOL	End of Life
EOPS	Enforceable Obligation Payment Schedule
ERAF	Educational Revenue Augmentation Fund
FEMA	Federal Emergency Management Agency
FERC	Federal Energy Regulatory Commission
FF&E	Furniture, Fixtures and Equipment
FHRMS	Finance Human Resources Management System
FMIS	Finance Management Information System
FOG	Fats, Oils, and Grease
FPPC	Fair Political Practices Commission
FTE	Full Time Equivalent (Employee)
FTHB	First Time Homebuyer
FY	Fiscal year
GAAP	Generally Accepted Accounting Practices
GASB	Governmental Accounting Standards Board
GDP	Gross Domestic Product
GFGC	General Fund General Contingency
GFOA	Government Finance Officers Association
GIS	Geographical Information Systems
GPS	Global Positioning System
GSI	Green Stormwater Infrastructure
GWh	Giga Watt Hour



HA	Housing Authority
HIPPA	Health Insurance Portability and Accountability Act
HMG	Hazard Mitigation Grant
HMI	Human Mechanical Interface
HOME	Home Investment Partnerships Act
HR	Human Resources
HUD	Housing and Urban Development
HVAC	Heating, Ventilation, and Air Conditioning
IBEW	International Brotherhood of Electric Workers
ISC/CRC	International Swim Center/Community Recreation Center
IT	Information Technology
JPA	Joint Power Agreement
kWh	Kilo Watt Hour
LED	Light Emitting Diodes
LEED	Leadership in Energy and Environmental Design
LF	Linear Feet
LLEBG	Local Law Enforcement Block Grants Program
LPD	Land, Property and Development
m:s	minutes: seconds
MCC	Motor Control Center
MOU	Memorandum of Understanding
MRP	Municipal Regional Stormwater National Pollutant Discharge Elimination Permit
Muni	Municipal
N/A	Not Applicable
NCIP	Neighborhood Conservation and Improvement Program
NCPA	Northern California Power Agency
NEPA	National Environmental Policy Act
O&M	Operations and Maintenance
OBAG	One Bay Area Grant
OSHA	Occupational Safety and Health Administration
OTS	California Office Traffic Safety
PBC	Public Benefits Charge
PCA	Property Condition Assessment



PEMHCA	Public Employees' Medical and Hospital Care Act (California)
PEPRA	Public Employees' Pension Reform Act of 2013
PERS	Public Employees' Retirement System
PG&E	Pacific Gas and Electric
PLC	Programmable Logic Control
POP	Problem Oriented Policing
RDA	Redevelopment Agency
RMRA	Roadway Repair and Accountability Act
RMRP	Retiree Medical Reimbursement Program
ROPS	Recognized Obligation Payment Schedule
RWF	Regional Wastewater Facility
SA	Successor Agency
SAIDI	System Average Interruption Duration Index
SB	Senate Bill
SCADA	Supervisory Council and Data Acquisition
SCAT	Specialized Crime Action Team
SCPD NSU	Santa Clara Police Department - Nuisance Suppression Unit
SCSA	Santa Clara Stadium Authority
SDPS	Storm Drain Pump Station
SFM	State Fire Marshal
SFPUC	San Francisco Public Utilities Commission
SOSA	Sports and Open Space Authority
SRT	Special Response Team
STACT	San Tomas Aquino Creek Trail
STEM	Science, Technology, Engineering and Math
SVACA	Silicon Valley Animal Control Authority
SVP	Silicon Valley Power (City owned Electric Utility)
SWRCB	State Water Resources Control Board
TBRA	Tenant-Based Rental Assistance
TDA	Transportation Development Act
TDM	Traffic Demand Management
TMP	Transportation Management Program
TOT	Transient Occupancy Tax



TPAC	Treatment Plant Advisory Committee
UMIS	Utility Management Information System
Uncl	Unclassified Employee
VLF	Vehicle License Fee
VoIP	Voice Over Internet Protocol
WiFi	Wireless Fidelity Communication Technology
WPCP	Water Pollution Control Plant

BUDGET SUMMARY | SOURCES

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	Change %	FY 2024/25 Proposed
Revenue Sources¹:					
Property Tax	71,639,000	75,341,000	85,880,000	14.0%	89,625,000
Sales Tax	58,183,000	60,173,000	60,524,000	0.6%	62,352,000
Transient Occupancy Tax	9,000,000	12,600,000	21,275,000	68.8%	23,650,000
Franchise Tax	4,630,000	4,780,000	5,150,000	7.7%	5,300,000
Gas Tax	5,200,000	5,900,000	5,900,000	0.0%	5,900,000
Other Taxes	1,826,327	1,867,617	1,983,077	6.2%	2,082,298
Planning Fees	6,400,000	6,775,000	7,969,600	17.6%	8,223,932
Other Fees	33,127,922	73,303,513	47,928,665	(34.6%)	87,664,867
Licenses and Permits	11,637,995	11,832,995	17,421,995	47.2%	17,941,995
Fines and Penalties	1,496,135	1,465,000	1,225,000	(16.4%)	1,230,000
Rents and Leases	6,385,633	7,689,666	8,877,385	15.4%	9,887,604
Electric Utility	519,666,171	591,932,383	654,793,213	10.6%	735,601,973
Electric Special Revenues	31,839,508	33,382,905	37,793,434	13.2%	40,110,067
Water Utility	47,500,000	46,312,500	58,234,600	25.7%	63,772,000
Sewer Utility	42,976,233	40,518,345	42,500,700	4.9%	46,439,300
Water Recycling Utility	5,200,000	5,200,000	7,203,200	38.5%	8,126,000
Solid Waste Services	33,135,000	36,935,092	39,037,957	5.7%	40,500,355
Storm Drain Fees	2,908,000	2,908,000	2,908,000	0.0%	3,107,000
Miscellaneous Charges for Services	5,449,367	6,498,387	6,688,788	2.9%	6,883,485
Grant Revenue	15,069,719	10,356,164	6,376,945	(38.4%)	5,142,048
Housing Related	2,025,391	1,623,337	2,405,250	48.2%	2,415,726
Other Agencies	42,128,685	13,202,147	6,826,150	(48.3%)	7,335,930
Other Revenues	12,781,813	17,920,287	19,893,185	11.0%	22,709,715
State Revenues	162,000	160,000	162,000	1.3%	162,000
Traffic Mitigation	1,531,500	1,000,000	1,000,000	0.0%	1,000,000
Interest Income	10,010,228	9,810,660	14,093,836	43.7%	15,578,159
Reimbursements	5,614,872	6,294,102	7,365,310	17.0%	7,666,842
Developer Contributions	38,861,733	35,428,787	18,977,810	(46.4%)	5,993,422
Sale of Land or Property	100,000	80,000	249,600	212.0%	100,000
Bond Proceeds	18,588,216	0	335,250,000	N/A	0
Interdepartmental Revenue	84,471,722	88,977,303	96,045,382	7.9%	99,916,306
Transfers From	106,559,744	50,091,179	393,330,000	685.2%	65,959,970
Gross Revenue	1,236,105,914	1,260,359,369	2,015,270,082	59.9%	1,492,377,994
Less Transfers In and Interfund Revenues ²	(191,031,466)	(139,068,482)	(489,375,382)	251.9%	(165,876,276)
Net Revenue	1,045,074,448	1,121,290,887	1,525,894,700	36.1%	1,326,501,718
Capital Improvement Program Carryover	143,343,514	169,248,792	0	(100.0%)	0
(Contribution to) / Use of Reserves	28,907,185	41,209,568	(34,949,589)	(184.8%)	(92,456,650)
Total Net Sources³	1,217,325,147	1,331,749,247	1,490,945,111	12.0%	1,234,045,068

BUDGET SUMMARY | USES

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	Change %	FY 2024/25 Proposed
Expenditures¹:					
Operating Budget:					
City Council	829,205	861,105	1,124,281	30.6%	1,176,723
City Attorney's Office	3,097,380	3,202,735	3,076,516	(3.9%)	3,205,702
City Clerk's Office	1,470,231	2,076,112	1,947,261	(6.2%)	2,067,068
City Auditor	1,075,970	1,224,141	948,445	(22.5%)	985,489
City Manager's Office	5,442,069	6,085,321	4,980,204	(18.2%)	5,175,582
Community Development	23,938,049	24,696,861	25,674,923	4.0%	25,309,296
Electric Utility	529,959,140	675,885,991	719,003,859	6.4%	786,454,509
Finance	16,363,472	17,820,990	18,192,257	2.1%	19,012,771
Fire	60,581,403	62,334,871	69,732,009	11.9%	71,103,199
Human Resources	4,133,810	4,508,710	4,208,090	(6.7%)	4,439,328
Information Technology	12,284,229	12,958,301	13,294,932	2.6%	13,156,944
Library	10,764,727	11,889,451	10,835,937	(8.9%)	11,317,625
Parks & Recreation	22,940,877	23,743,141	23,892,478	0.6%	24,831,781
Police	80,454,471	85,444,381	86,688,554	1.5%	91,296,351
Public Works	79,441,436	83,467,913	87,303,204	4.6%	90,925,536
Water and Sewer Utility	95,628,494	86,940,128	96,385,559	10.9%	120,920,630
Non-Departmental ⁴	61,939,938	40,185,265	50,695,213	26.2%	49,923,207
Other Agency	5,420	5,420	10,000	84.5%	10,200
Internal Services	15,358,000	15,793,000	12,397,000	(21.5%)	12,934,000
Debt Service	39,286,574	19,841,227	374,973,049	1789.9%	40,647,934
Gross Operating Budget	1,064,994,895	1,178,965,064	1,605,363,771	36.2%	1,374,893,875
Less Transfers Out and Interfund Expenses ²	(178,378,596)	(203,142,482)	(509,709,569)	150.9%	(247,780,561)
Net Operating Budget	886,616,299	975,822,582	1,095,654,202	12.3%	1,127,113,314
Capital Improvement Program Budget:					
Total Capital Improvement Program	333,428,673	353,438,983	392,767,458	11.1%	104,022,838
Public Works Management Services	3,962,714	3,941,683	4,111,656	4.3%	4,362,916
Less Transfers Out	(6,682,539)	(1,454,000)	(1,588,205)	9.2%	(1,454,000)
Total Capital Improvement Program Budget³	330,708,848	355,926,666	395,290,909	11.1%	106,931,754
Total Net Uses	1,217,325,147	1,331,749,248	1,490,945,111	12.0%	1,234,045,068

¹ Excludes Stadium Authority operating budget

² Excludes internal services fund operating budget, non-City Convention Center activities, and all transfers

³ Includes Capital Improvement Program Carryover in FY 2022/23 Adopted Budget and FY 2021/22 Adopted Budget

⁴ Includes Convention Center operating budget

BUDGET SUMMARY | REVENUE SUMMARY

Fund Type	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	Change %	FY 2024/25 Proposed	Change %
General Fund						
001 General Fund	242,183,546	242,058,385	274,263,600	13.3%	287,341,981	4.8%
Total General Fund	242,183,546	242,058,385	274,263,600	13.3%	287,341,981	4.8%
Special Revenue Funds						
102 American Rescue Plan Act Fund	26,231,326	0	0	N/A	0	N/A
463 Bridge Maintenance District #2 Fund	95,052	80,000	80,000	0.0%	80,000	0.0%
155 Building Development Services Fund	40,351,364	14,112,000	15,611,000	10.6%	16,164,000	3.5%
220 Building Special Programs and Training Fund	71,002	63,395	44,995	(29.0%)	44,995	0.0%
165 City Affordable Housing Fund	3,729,379	682,000	1,166,720	71.1%	1,168,177	0.1%
027 Community Facilities District No. 2019-1 (Lawrence Station) Fund	328,257	387,617	383,077	(1.2%)	450,298	17.5%
026 Convention Center Maintenance District Fund	1,707,688	1,878,119	1,774,119	(5.5%)	1,774,119	0.0%
124 Developer Traffic Payments Fund	735,720	0	0	N/A	0	N/A
025 Downtown Parking Maintenance District Fund	12,637	14,200	151,230	965.0%	158,850	5.0%
077 Endowment Care Fund	284,415	118,000	130,000	10.2%	130,000	0.0%
144 Engineering Operating Grant Trust Fund	55,753	0	0	N/A	0	N/A
079 Expendable Trust Fund	105,077	0	0	N/A	0	N/A
158 Fire Development Service Fund	0	0	3,435,000	N/A	3,081,750	(10.3%)
178 Fire Operating Grant Trust Fund	298,861	32,745	4,006,904	12136.7%	4,513,514	12.6%
121 Gas Tax Fund	3,322,440	3,500,000	3,500,000	0.0%	3,500,000	0.0%
562 Housing and Urban Development Fund	3,407,857	1,810,000	3,106,041	71.6%	1,518,534	(51.1%)
164 Housing Authority Fund	530,272	280,000	252,495	(9.8%)	252,496	0.0%
169 Housing Successor Agency Fund	6,522,898	350,000	1,306,326	273.2%	1,306,326	0.0%
072 Library Donations Trust Fund	23	0	0	N/A	0	N/A
112 Library Operating Grant Trust Fund	112,548	0	0	N/A	0	N/A
101 Other City Departments Operating Grant Trust Fund	535,224	0	0	N/A	0	N/A
111 Parks and Recreation Operating Grant Trust Fund	204,119	124,769	152,363	22.1%	152,363	0.0%
076 Perpetual Care Fund	558	500	500	0.0%	500	0.0%
177 Police Operating Grant Trust Fund	624,029	0	0	N/A	0	N/A
157 Prefunded Plan Review Fund	332,500	0	0	N/A	0	N/A
067 Public Donations Fund	185,099	0	0	N/A	0	N/A
221 Public, Educational, and Governmental Fee Fund	232,867	200,000	200,000	0.0%	200,000	0.0%
122 Road Maintenance and Rehabilitation (SB1) Fund	2,665,509	2,500,000	2,550,000	2.0%	2,550,000	0.0%
123 Traffic Mitigation Fund	1,414,767	1,150,000	1,150,000	0.0%	1,150,000	0.0%
Total Special Revenue Funds	94,097,241	27,283,345	39,000,770	42.9%	38,195,922	(2.1%)
Enterprise Funds						
093 Cemetery Fund	1,649,154	1,498,500	1,576,500	5.2%	1,603,500	1.7%

BUDGET SUMMARY | REVENUE SUMMARY

Fund Type	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	Change %	FY 2024/25 Proposed	Change %
Enterprise Funds						
860 Convention Center Enterprise Fund	10,337,495	13,603,635	15,663,770	15.1%	18,193,014	16.1%
191 Electric Operating Grant Trust Fund	34,274,623	33,429,379	37,842,234	13.2%	40,164,067	6.1%
091 Electric Utility Fund	549,086,102	589,799,417	684,767,499	16.1%	757,243,956	10.6%
094 Sewer Utility Fund	54,162,954	40,459,345	43,500,825	7.5%	47,453,903	9.1%
096 Solid Waste Fund	34,486,563	37,280,456	39,613,321	6.3%	41,081,879	3.7%
097 Water Recycling Fund	6,491,607	5,708,446	7,668,868	34.3%	8,594,538	12.1%
092 Water Utility Fund	51,869,747	48,358,520	60,726,490	25.6%	66,333,834	9.2%
Total Enterprise Funds	742,358,245	770,137,698	891,359,507	15.7%	980,668,691	10.0%
Internal Service Funds						
048 Communication Acquisitions Fund	584,334	829,358	995,232	20.0%	1,013,568	1.8%
053 Fleet Operations Fund	5,122,634	5,503,082	5,460,601	(0.8%)	5,649,029	3.5%
045 Information Technology Services Fund	12,064,738	12,259,626	13,094,932	6.8%	12,956,944	(1.1%)
044 Public Works Capital Projects Management Fund	3,962,714	3,941,683	4,111,656	4.3%	4,362,916	6.1%
082 Special Liability Insurance Fund	12,873,684	9,554,000	6,195,000	(35.2%)	6,497,000	4.9%
087 Unemployment Insurance Fund	382,211	0	0	N/A	0	N/A
050 Vehicle Replacement Fund	4,589,679	4,152,585	6,244,263	50.4%	6,251,978	0.1%
081 Workers' Compensation Fund	6,763,278	5,835,000	6,097,000	4.5%	6,327,000	3.8%
Total Internal Service Funds	46,343,272	42,075,334	42,198,684	0.3%	43,058,435	2.0%
Capital Improvement Program Funds						
593 Cemetery Capital Fund	8,409	9,225	0	(100.0%)	0	N/A
565 City Affordable Housing Capital Fund	5,630,375	0	0	N/A	0	N/A
865 Convention Center Capital Fund	2,327,544	0	0	N/A	550,000	N/A
591 Electric Utility Capital Fund	58,984,364	108,668,826	358,335,039	229.7%	56,252,674	(84.3%)
536 Fire Department Capital Fund	837,110	588,153	427,374	(27.3%)	234,374	(45.2%)
539 General Government Capital Fund	1,768,921	1,950,000	925,000	(52.6%)	875,000	(5.4%)
537 Library Department Capital Fund	7,872	281,831	0	(100.0%)	0	N/A
532 Parks and Recreation Capital Fund	21,367,511	4,056,622	258,941	(93.6%)	4,776,181	1744.5%
542 Patrick Henry Drive Infrastructure Improvement Fund	0	69,205	140,486	103.0%	73,419	(47.7%)
538 Public Buildings Capital Fund	397,953	1,289,532	1,590,019	23.3%	180,272	(88.7%)
597 Recycled Water Capital Fund	50,000	0	0	N/A	0	N/A
540 Related Santa Clara Developer Fund	1,063,068	2,902,465	968,330	(66.6%)	391,422	(59.6%)
594 Sewer Utility Capital Fund	7,710,382	4,364,913	13,867,222	217.7%	18,047,101	30.1%
596 Solid Waste Capital Fund	260,464	743,000	765,000	3.0%	788,000	3.0%
535 Storm Drain Capital Fund	2,085,628	2,417,432	2,326,414	(3.8%)	1,553,633	(33.2%)



BUDGET SUMMARY | REVENUE SUMMARY

Fund Type	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	Change %	FY 2024/25 Proposed	Change %
Capital Improvement Program Funds						
534 Street Lighting Capital Fund	48,629	71,455	125,000	74.9%	4,175,000	3240.0%
533 Streets and Highways Capital Fund	30,181,531	31,550,471	17,776,700	(43.7%)	15,568,079	(12.4%)
541 Tasman East Infrastructure Improvement Fund	3,465,453	0	0	N/A	0	N/A
592 Water Utility Capital Fund	6,285,000	0	0	N/A	885,000	N/A
Total Capital Improvement Program Funds	142,480,214	158,963,130	397,505,525	150.1%	104,350,155	(73.7%)
Other Agency Fund						
801 Sports and Open Space Authority Fund	139	250	10,000	3900.0%	10,200	2.0%
Total Other Agency Fund	139	250	10,000	3900.0%	10,200	2.0%
Debt Service Funds						
491 Electric Utility Debt Service Fund	16,643,559	16,548,917	339,529,056	1951.7%	36,296,170	(89.3%)
431 Public Facilities Financing Corporation Fund	2,502,062	1,403,275	1,402,940	(0.02%)	1,406,440	0.2%
494 Sewer Utility Debt Service Fund	1,889,035	1,889,035	30,000,000	1488.1%	1,050,000	(96.5%)
Total Debt Service Funds	21,034,656	19,841,227	370,931,996	1769.5%	38,752,610	(89.6%)
Grand Total Revenues	1,288,497,313	1,260,359,369	2,015,270,082	59.9%	1,492,377,994	(25.9%)

BUDGET SUMMARY | EXPENDITURES SUMMARY

Fund Type	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	Change %	FY 2024/25 Proposed	Change %
General Fund						
001 General Fund	258,194,456	272,355,355	280,773,558	3.1%	287,458,968	2.4%
Total General Fund	258,194,456	272,355,355	280,773,558	3.1%	287,458,968	2.4%
Special Revenue Funds						
102 American Rescue Plan Act Fund	26,231,326	0	0	N/A	0	N/A
463 Bridge Maintenance District #2 Fund	80,000	80,000	80,000	0.0%	80,000	0.0%
155 Building Development Services Fund	11,383,394	13,548,582	13,874,054	2.4%	14,846,926	7.0%
220 Building Special Programs and Training Fund	29,120	61,765	44,995	(27.2%)	44,995	0.0%
165 City Affordable Housing Fund	5,085,499	1,685,731	1,559,557	(7.5%)	1,595,486	2.3%
027 Community Facilities District No. 2019-1 (Lawrence Station) Fund	13,924	350,507	373,273	6.5%	384,471	3.0%
026 Convention Center Maintenance District Fund	1,877,763	1,878,119	1,919,119	2.2%	1,774,119	(7.6%)
124 Developer Traffic Payments Fund	0	1,108,500	0	(100.0%)	0	N/A
025 Downtown Parking Maintenance District Fund	125,975	137,521	136,990	(0.4%)	144,609	5.6%
077 Endowment Care Fund	29,663	28,000	30,000	7.1%	30,000	0.0%
144 Engineering Operating Grant Trust Fund	41,359	0	0	N/A	0	N/A
079 Expendable Trust Fund	344,094	0	0	N/A	0	N/A
158 Fire Development Service Fund	0	0	3,109,073	N/A	3,264,818	5.0%
178 Fire Operating Grant Trust Fund	267,425	36,019	4,006,904	11024.4%	4,513,514	12.6%
121 Gas Tax Fund	3,946,580	2,985,000	4,650,000	55.8%	2,550,000	(45.2%)
562 Housing and Urban Development Fund	3,255,558	2,379,814	3,744,641	57.4%	2,115,381	(43.5%)
164 Housing Authority Fund	170,739	380,363	457,193	20.2%	414,581	(9.3%)
169 Housing Successor Agency Fund	12,434,115	1,242,599	873,227	(29.7%)	899,463	3.0%
072 Library Donations Trust Fund	0	0	0	N/A	0	N/A
112 Library Operating Grant Trust Fund	101,801	0	0	N/A	0	N/A
101 Other City Departments Operating Grant Trust Fund	668,157	0	0	N/A	0	N/A
111 Parks and Recreation Operating Grant Trust Fund	212,586	124,769	152,363	22.1%	152,363	0.0%
076 Perpetual Care Fund	558	500	500	0.0%	500	0.0%
177 Police Operating Grant Trust Fund	445,350	0	0	N/A	0	N/A
157 Prefunded Plan Review Fund	556,750	0	0	N/A	0	N/A
067 Public Donations Fund	36,215	0	0	N/A	0	N/A
221 Public, Educational, and Governmental Fee Fund	86,590	200,000	200,000	0.0%	200,000	0.0%
122 Road Maintenance and Rehabilitation (SB1) Fund	2,100,000	2,500,000	2,500,000	0.0%	2,500,000	0.0%
123 Traffic Mitigation Fund	2,593,378	850,000	700,000	(17.6%)	1,600,000	128.6%
Total Special Revenue Funds	72,117,919	29,577,789	38,411,889	29.9%	37,111,226	(3.4%)
Enterprise Funds						
093 Cemetery Fund	1,437,087	1,540,618	1,535,171	(0.4%)	1,591,088	3.6%

BUDGET SUMMARY | EXPENDITURES SUMMARY

Fund Type	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	Change %	FY 2024/25 Proposed	Change %
Enterprise Funds						
860 Convention Center Enterprise Fund	9,613,569	14,373,644	16,103,582	12.0%	18,284,444	13.5%
191 Electric Operating Grant Trust Fund	19,762,860	33,549,786	42,917,231	27.9%	34,309,180	(20.1%)
091 Electric Utility Fund	552,668,320	642,336,205	676,086,628	5.3%	752,145,329	11.2%
094 Sewer Utility Fund	35,815,458	34,174,214	33,856,908	(0.9%)	50,232,161	48.4%
096 Solid Waste Fund	32,300,731	37,124,239	39,316,243	5.9%	40,785,274	3.7%
097 Water Recycling Fund	5,617,355	5,729,413	8,234,584	43.7%	9,502,867	15.4%
092 Water Utility Fund	51,154,645	47,036,501	54,294,067	15.4%	61,185,602	12.7%
Total Enterprise Funds	708,370,025	815,864,620	872,344,414	6.9%	968,035,945	11.0%
Internal Service Funds						
048 Communication Acquisitions Fund	373,997	829,358	995,232	20.0%	1,013,568	1.8%
053 Fleet Operations Fund	4,853,639	5,661,850	5,462,441	(3.5%)	5,651,174	3.5%
045 Information Technology Services Fund	10,294,656	12,758,301	13,094,932	2.6%	12,956,944	(1.1%)
044 Public Works Capital Projects Management Fund	3,754,799	3,941,683	4,111,656	4.3%	4,362,916	6.1%
082 Special Liability Insurance Fund	7,366,850	9,554,000	6,195,000	(35.2%)	6,497,000	4.9%
087 Unemployment Insurance Fund	102,803	150,000	105,000	(30.0%)	110,000	4.8%
050 Vehicle Replacement Fund	3,038,474	3,444,961	2,789,600	(19.0%)	4,711,000	68.9%
081 Workers' Compensation Fund	5,056,631	6,089,000	6,097,000	0.1%	6,327,000	3.8%
Total Internal Service Funds	34,841,849	42,429,153	38,850,861	(8.4%)	41,629,602	7.2%
Capital Improvement Program Funds						
593 Cemetery Capital Fund	30,011	243,205	0	(100.0%)	0	N/A
565 City Affordable Housing Capital Fund	0	0	0	N/A	0	N/A
865 Convention Center Capital Fund	2,781,902	2,622,854	0	(100.0%)	550,000	100.0%
591 Electric Utility Capital Fund	57,339,865	183,989,038	351,572,203	91.1%	56,252,674	(84.0%)
536 Fire Department Capital Fund	413,250	1,438,505	427,374	(70.3%)	234,374	(45.2%)
539 General Government Capital Fund	3,887,224	8,143,806	925,000	(88.6%)	875,000	(5.4%)
537 Library Department Capital Fund	47,454	448,142	0	(100.0%)	0	N/A
532 Parks and Recreation Capital Fund	7,258,180	25,218,603	1,298,457	(94.9%)	5,588,401	330.4%
542 Patrick Henry Drive Infrastructure Improvement Fund	0	69,205	140,486	103.0%	73,419	(47.7%)
538 Public Buildings Capital Fund	3,896,179	3,580,448	1,590,019	(55.6%)	180,272	(88.7%)
597 Recycled Water Capital Fund	3,540	50,000	50,000	0.0%	50,000	0.0%
540 Related Santa Clara Developer Fund	1,003,733	2,902,465	968,330	(66.6%)	391,422	(59.6%)
594 Sewer Utility Capital Fund	40,895,438	43,132,893	13,721,801	(68.2%)	18,192,330	32.6%
596 Solid Waste Capital Fund	815,194	743,000	765,000	3.0%	788,000	3.0%
535 Storm Drain Capital Fund	5,035,397	4,858,321	2,326,414	(52.1%)	1,553,633	(33.2%)
534 Street Lighting Capital Fund	117,469	4,723,844	125,000	(97.4%)	4,175,000	3240.0%



BUDGET SUMMARY | EXPENDITURES SUMMARY

Fund Type	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	Change %	FY 2024/25 Proposed	Change %
Capital Improvement Program Funds						
533 Streets and Highways Capital Fund	16,309,459	65,675,118	17,776,700	(72.9%)	15,568,079	(12.4%)
541 Tasman East Infrastructure Improvement Fund	216,182	2,876,218	27,330	(99.0%)	28,150	3.0%
592 Water Utility Capital Fund	5,833,403	6,665,000	5,165,000	(22.5%)	3,885,000	(24.8%)
Total Capital Improvement Program Funds	145,883,880	357,380,665	396,879,114	11.1%	108,385,754	(72.7%)
Other Agency Fund						
801 Sports and Open Space Authority Fund	9,163	5,420	10,000	84.5%	10,200	2.0%
Total Other Agency Fund	9,163	5,420	10,000	84.5%	10,200	2.0%
Debt Service Funds						
491 Electric Utility Debt Service Fund	16,301,979	16,548,917	339,529,056	1951.7%	36,296,170	(89.3%)
431 Public Facilities Financing Corporation Fund	2,502,604	1,403,275	1,402,440	(0.1%)	1,405,940	0.2%
494 Sewer Utility Debt Service Fund	1,140,948	1,889,035	34,041,553	1702.1%	2,945,824	(91.3%)
Total Debt Service Funds	19,945,531	19,841,227	374,973,049	1789.9%	40,647,934	(89.2%)
Grand Total Expenditures	1,239,362,823	1,537,454,229	2,002,242,885	30.2%	1,483,279,629	(25.9%)



BUDGET SUMMARY | TRANSFER SCHEDULE

Fund	Proposed FY 2023/24 Transfer		Proposed FY 2024/25 Transfer	
	From	To	From	To
From General Fund (001)		11,645,161		7,720,872
To Cemetery Fund (093)	796,000		823,000	
To Convention Center Maintenance District Fund (026)	805,383		805,383	
To Downtown Parking Maintenance District Fund (025)	137,030		144,650	
To Fire Department Capital Fund (536)	427,374		234,374	
To Fire Development Services Fund (158)	500,000		0	
To Fire Operating Grant Trust Fund (178)	626,000		770,000	
To General Government Capital Fund (539)	90,283		40,283	
To Parks and Recreation Capital Fund (532)	258,941		276,181	
To Parks and Recreation Operating Grant Trust Fund (111)	27,445		27,445	
To Public Buildings Capital Fund (538)	1,590,019		180,272	
To Public Facilities Financing Corporation Fund (431)	1,402,440		1,405,940	
To Solid Waste Fund (096)	35,364		35,364	
To Sports and Open Space Authority Fund (801)	10,000		10,200	
To Storm Drain Capital Fund (535)	872,414		99,633	
To Streets and Highways Capital Fund (533)	4,066,468		2,868,147	
Subtotal Transfer from General Fund	11,645,161	11,645,161	7,720,872	7,720,872
From Vehicle Replacement Fund (050)		149,600		0
To General Fund (001)	149,600		0	
Subtotal Transfer from Vehicle Replacement Fund	149,600	149,600	0	0
From Perpetual Care Fund (076)		500		500
To Cemetery Fund (093)	500		500	
Subtotal Transfer from Perpetual Care Fund	500	500	500	500
From Endowment Care Fund (077)		30,000		30,000
To Cemetery Fund (093)	30,000		30,000	
Subtotal Transfer from Endowment Care Fund	30,000	30,000	30,000	30,000
From Electric Utility Debt Service Fund (491)		305,250,000		0
To Electric Utility Capital Fund (591)	305,250,000		0	
Subtotal Transfer from Electric Utility Debt Service Fund	305,250,000	305,250,000	0	0
From Sewer Utility Debt Service Fund (494)		10,000,000		0
To Sewer Utility Capital Fund (594)	10,000,000		0	
Subtotal Transfer from Sewer Utility Debt Service Fund	10,000,000	10,000,000	0	0



BUDGET SUMMARY | TRANSFER SCHEDULE

Fund	Proposed FY 2023/24 Transfer		Proposed FY 2024/25 Transfer	
	From	To	From	To
From Electric Utility Fund (091)		49,269,687		92,473,903
To General Fund (001)	349,749		373,736	
To Electric Utility Debt Service Fund (491)	34,279,056		36,296,170	
To Street Lighting Capital Fund (534)	125,000		4,175,000	
To General Government Capital Fund (539)	596,323		596,323	
To Electric Utility Capital Fund (591)	13,919,559		51,032,674	
Subtotal Transfer from Electric Utility Fund	49,269,687	49,269,687	92,473,903	92,473,903
From Water Utility Fund (092)		278,936		1,163,936
To Electric Utility Capital Fund (591)	120,000		120,000	
To General Government Capital Fund (539)	158,936		158,936	
To Water Utility Capital Fund (592)	0		885,000	
Subtotal Transfer from Water Utility Fund	278,936	278,936	1,163,936	1,163,936
From Cemetery Fund (093)		822		822
To General Government Capital Fund (539)	822		822	
Subtotal Transfer from Cemetery Fund	822	822	822	822
From Sewer Utility Fund (094)		3,917,500		19,147,379
To General Government Capital Fund (539)	50,278		50,278	
To Sewer Utility Debt Service Fund (494)	0		1,050,000	
To Sewer Utility Capital Fund (594)	3,867,222		18,047,101	
Subtotal Transfer from Sewer Utility Fund	3,917,500	3,917,500	19,147,379	19,147,379
From Solid Waste Fund (096)		533,621		549,621
To General Government Capital Fund (539)	26,621		26,621	
To Solid Waste Capital Fund (596)	507,000		523,000	
Subtotal Transfer from Solid Waste Fund	533,621	533,621	549,621	549,621
From Gas Tax Fund (121)		4,650,000		2,550,000
To Streets and Highways Capital Fund (533)	4,650,000		2,550,000	
Subtotal Transfer from Gas Tax Fund	4,650,000	4,650,000	2,550,000	2,550,000
From Road Maintenance and Rehabilitation (SB1) Fund		2,500,000		2,500,000
To Streets and Highways Capital Fund (533)	2,500,000		2,500,000	
Subtotal Transfer from Road Maintenance and Rehabilitation (SB1) Fund	2,500,000	2,500,000	2,500,000	2,500,000
From Traffic Mitigation Fund (123)		700,000		1,600,000
To Streets and Highways Capital Fund (533)	700,000		1,600,000	
Subtotal Transfer from Traffic Mitigation Fund	700,000	700,000	1,600,000	1,600,000



BUDGET SUMMARY | TRANSFER SCHEDULE

Fund	Proposed FY 2023/24 Transfer		Proposed FY 2024/25 Transfer	
	From	To	From	To
From Building Development Services Fund (155)		184,462		194,530
To General Fund (001)	175,725		185,793	
To General Government Capital Fund (539)	1,737		1,737	
To Building Special Programs & Training Fund (220)	7,000		7,000	
Subtotal Transfer from Building Development Services Fund	184,462	184,462	194,530	194,530
From Electric Operating Grant Trust Fund (191)		22,422,522		12,609,417
To Vehicle Replacement Fund (050)	1,500,000		1,500,000	
To Electric Utility Fund (091)	19,637,522		9,594,417	
To Electric Utility Capital Fund (591)	1,000,000		1,000,000	
To Streets and Highways Capital Fund (533)	285,000		515,000	
Subtotal Transfer from Electric Operating Grant Trust Fund	22,422,522	22,422,522	12,609,417	12,609,417
From Building Special Programs and Training Fund (220)		1,765		1,765
To General Fund (001)	1,765		1,765	
Subtotal Transfer from Building Special Programs and Training Fund	1,765	1,765	1,765	1,765
From Bridge Maintenance District #2 Fund (463)		80,000		80,000
To Streets and Highways Capital Fund (533)	80,000		80,000	
Subtotal Transfer from Bridge Maintenance District #2 Fund	80,000	80,000	80,000	80,000
From Patrick Henry Drive Infrastructure Improvement Fund (542)		69,205		0
To General Fund (001)	69,205		0	
Subtotal Transfer from Patrick Henry Drive Infrastructure Improvement Fund	69,205	69,205	0	0
From Storm Drain Capital Fund (535)		1,519,000		1,454,000
To General Fund (001)	1,454,000		1,454,000	
To Electric Utility Capital Fund (591)	65,000		0	
Subtotal Transfer from Storm Drain Capital Fund	1,519,000	1,519,000	1,454,000	1,454,000
Total Transfers	413,202,781	413,202,781	142,076,745	142,076,745



BUDGET SUMMARY | SUMMARY OF FUND ACTIVITY

FY 2023/24							
Fund	Beginning Fund Balance	Revenue and Transfers	Total Sources Available	Expenditures and Transfers	Ending Fund Balance	Total Uses Available	*
General Fund	110,850,377	274,263,600	385,113,977	280,773,558	104,340,419	385,113,977	
Special Revenue and Other Funds							
Bridge Maintenance District #2 Fund	148,017	80,000	228,017	80,000	148,017	228,017	
Building Development Services Fund	26,815,660	15,611,000	42,426,660	13,874,054	28,552,606	42,426,660	
Building Special Programs and Training Fund	221,804	44,995	266,799	44,995	221,804	266,799	
City Affordable Housing Fund	11,597,158	1,166,720	12,763,878	1,559,557	11,204,321	12,763,878	
Community Facilities District No. 2019-1 (Lawrence Station) Fund	616,667	383,077	999,744	373,273	626,471	999,744	
Convention Center Maintenance District Fund	145,000	1,774,119	1,919,119	1,919,119	0	1,919,119	2
Developer Traffic Payments Fund	8,677,690	0	8,677,690	0	8,677,690	8,677,690	
Downtown Parking Maintenance Fund	497,308	151,230	648,538	136,990	511,548	648,538	
Endowment Care Fund	2,281,392	130,000	2,411,392	30,000	2,381,392	2,411,392	
Expendable Trust Fund	25,352	0	25,352	0	25,352	25,352	
Fire Development Services Fund	0	3,435,000	3,435,000	3,109,073	325,927	3,435,000	
Fire Operating Grant Trust Fund	0	4,006,904	4,006,904	4,006,904	0	4,006,904	
Gas Tax Fund	2,339,767	3,500,000	5,839,767	4,650,000	1,189,767	5,839,767	9
Housing and Urban Development Fund	2,582,602	3,106,041	5,688,643	3,744,641	1,944,002	5,688,643	3
Housing Authority Fund	4,039,115	252,495	4,291,610	457,193	3,834,417	4,291,610	
Housing Successor Agency Fund	3,717,518	1,306,326	5,023,844	873,227	4,150,617	5,023,844	5
Other City Departments Operating Grant Trust Fund	29,876	0	29,876	0	29,876	29,876	
Parks and Recreation Operating Grant Trust Fund	123,091	152,363	275,454	152,363	123,091	275,454	
Perpetual Care Fund	38,244	500	38,744	500	38,244	38,744	
Police Operating Grant Trust Fund	51,110	0	51,110	0	51,110	51,110	
Prefunded Plan Review Fund	32,614	0	32,614	0	32,614	32,614	
Public, Educational, and Governmental Fee Fund	2,722,984	200,000	2,922,984	200,000	2,722,984	2,922,984	
Road Maintenance and Rehabilitation (SB1) Fund	971,779	2,550,000	3,521,779	2,500,000	1,021,779	3,521,779	
Traffic Mitigation Fund	2,512,561	1,150,000	3,662,561	700,000	2,962,561	3,662,561	9
Total Special Revenue and Other Funds	70,187,309	39,000,770	109,188,079	38,411,889	70,776,190	109,188,079	



BUDGET SUMMARY | SUMMARY OF FUND ACTIVITY

FY 2023/24							
Fund	Beginning Fund Balance	Revenue and Transfers	Total Sources Available	Expenditures and Transfers	Ending Fund Balance	Total Uses Available	*
Enterprise Funds							
Cemetery Fund	350,118	1,576,500	1,926,618	1,535,171	391,447	1,926,618	7
Convention Center Enterprise Fund	2,128,475	15,663,770	17,792,245	16,103,582	1,688,663	17,792,245	8
Electric Operating Grant Trust Fund	72,752,529	37,842,234	110,594,763	42,917,231	67,677,532	110,594,763	
Electric Utility Fund	287,904,874	684,767,499	972,672,373	676,086,628	296,585,745	972,672,373	
Sewer Utility Fund	19,552,699	43,500,825	63,053,524	33,856,908	29,196,616	63,053,524	5
Solid Waste Fund	10,727,320	39,613,321	50,340,641	39,316,243	11,024,398	50,340,641	
Water Recycling Fund	6,632,668	7,668,868	14,301,536	8,234,584	6,066,952	14,301,536	
Water Utility Fund	13,530,353	60,726,490	74,256,843	54,294,067	19,962,776	74,256,843	5
Total Enterprise Funds	413,579,036	891,359,507	1,304,938,543	872,344,414	432,594,129	1,304,938,543	
Internal Service Funds							
Communication Acquisitions Fund	1,778,773	995,232	2,774,005	995,232	1,778,773	2,774,005	
Fleet Operations Fund	1,011,479	5,460,601	6,472,080	5,462,441	1,009,639	6,472,080	
Information Technology Services Fund	3,371,091	13,094,932	16,466,023	13,094,932	3,371,091	16,466,023	
Public Works Capital Projects Management Fund	689,300	4,111,656	4,800,956	4,111,656	689,300	4,800,956	
Special Liability Insurance Fund	10,215,485	6,195,000	16,410,485	6,195,000	10,215,485	16,410,485	
Unemployment Insurance Fund	315,585	0	315,585	105,000	210,585	315,585	7
Vehicle Replacement Fund	12,473,659	6,244,263	18,717,922	2,789,600	15,928,322	18,717,922	5
Workers' Compensation Fund	9,141,173	6,097,000	15,238,173	6,097,000	9,141,173	15,238,173	
Total Internal Service Funds	38,996,545	42,198,684	81,195,229	38,850,861	42,344,368	81,195,229	
Capital Improvement Program Funds							
Cemetery Capital Fund	44,418	0	44,418	0	44,418	44,418	
City Affordable Housing Capital Fund	5,760,576	0	5,760,576	0	5,760,576	5,760,576	
Convention Center Capital Fund	0	0	0	0	0	0	
Electric Utility Capital Fund	45,052,229	358,335,039	403,387,268	351,572,203	51,815,065	403,387,268	1,9
Fire Department Capital Fund	918,327	427,374	1,345,701	427,374	918,327	1,345,701	
General Government Capital Fund	1,259,721	925,000	2,184,721	925,000	1,259,721	2,184,721	



BUDGET SUMMARY | SUMMARY OF FUND ACTIVITY

FY 2023/24						
Fund	Beginning Fund Balance	Revenue and Transfers	Total Sources Available	Expenditures and Transfers	Ending Fund Balance	Total Uses Available *
Capital Improvement Program Funds						
Library Department Capital Fund	131,279	0	131,279	0	131,279	131,279
Parks and Recreation Capital Fund	19,324,977	258,941	19,583,918	1,298,457	18,285,461	19,583,918
Patrick Henry Drive Infrastructure Improvement Fund	0	140,486	140,486	140,486	0	140,486
Public Buildings Capital Fund	1,670,153	1,590,019	3,260,172	1,590,019	1,670,153	3,260,172
Recycled Water Capital Fund	622,874	0	622,874	50,000	572,874	622,874
Related Santa Clara Developer Fund	598,382	968,330	1,566,712	968,330	598,382	1,566,712
Sewer Utility Capital Fund	24,486,496	13,867,222	38,353,718	13,721,801	24,631,917	38,353,718
Solid Waste Capital Fund	1,076,436	765,000	1,841,436	765,000	1,076,436	1,841,436
Storm Drain Capital Fund	4,361,253	2,326,414	6,687,667	2,326,414	4,361,253	6,687,667
Street Lighting Capital Fund	469,476	125,000	594,476	125,000	469,476	594,476
Streets and Highways Capital Fund	13,010,357	17,776,700	30,787,057	17,776,700	13,010,357	30,787,057
Tasman East Infrastructure Improvement Fund	4,456,402	0	4,456,402	27,330	4,429,072	4,456,402
Water Utility Capital Fund	15,273,782	0	15,273,782	5,165,000	10,108,782	15,273,782
Total Capital Improvement Program Funds	138,517,138	397,505,525	536,022,663	396,879,114	139,143,549	536,022,663
Other Agency Funds						
Sports and Open Space Authority Fund	1,392	10,000	11,392	10,000	1,392	11,392
Total Other Agency Funds	1,392	10,000	11,392	10,000	1,392	11,392
Debt Service Funds						
Electric Utility Debt Service Fund	13,770,773	339,529,056	353,299,829	339,529,056	13,770,773	353,299,829
Public Facilities Financing Corporation Fund	722,541	1,402,940	2,125,481	1,402,440	723,041	2,125,481
Sewer Utility Debt Service Fund	6,005,257	30,000,000	36,005,257	34,041,553	1,963,704	36,005,257
Total Debt Service Funds	20,498,571	370,931,996	391,430,567	374,973,049	16,457,518	391,430,567
Total City Funds	792,630,368	2,015,270,082	2,807,900,450	2,002,242,885	805,657,565	2,807,900,450



BUDGET SUMMARY | SUMMARY OF FUND ACTIVITY

FY 2024/25							
Fund	Beginning Fund Balance	Revenue and Transfers	Total Sources Available	Expenditures and Transfers	Ending Fund Balance	Total Uses Available	*
General Fund	104,340,419	287,341,981	391,682,400	287,458,968	104,223,432	391,682,400	
Special Revenue and Other Funds							
Bridge Maintenance District #2 Fund	148,017	80,000	228,017	80,000	148,017	228,017	
Building Development Services Fund	28,552,606	16,164,000	44,716,606	14,846,926	29,869,680	44,716,606	
Building Special Programs and Training Fund	221,804	44,995	266,799	44,995	221,804	266,799	
City Affordable Housing Fund	11,204,321	1,168,177	12,372,498	1,595,486	10,777,012	12,372,498	
Community Facilities District No. 2019-1 (Lawrence Station) Fund	626,471	450,298	1,076,769	384,471	692,298	1,076,769	5
Convention Center Maintenance District Fund	0	1,774,119	1,774,119	1,774,119	0	1,774,119	
Developer Traffic Payments Fund	8,677,690	0	8,677,690	0	8,677,690	8,677,690	
Downtown Parking Maintenance Fund	511,548	158,850	670,398	144,609	525,789	670,398	
Endowment Care Fund	2,381,392	130,000	2,511,392	30,000	2,481,392	2,511,392	
Expendable Trust Fund	25,352	0	25,352	0	25,352	25,352	
Fire Development Services Fund	325,927	3,081,750	3,407,677	3,264,818	142,859	3,407,677	7
Fire Operating Grant Trust Fund	0	4,513,514	4,513,514	4,513,514	0	4,513,514	
Gas Tax Fund	1,189,767	3,500,000	4,689,767	2,550,000	2,139,767	4,689,767	9
Housing and Urban Development Fund	1,944,002	1,518,534	3,462,536	2,115,381	1,347,155	3,462,536	7
Housing Authority Fund	3,834,417	252,496	4,086,913	414,581	3,672,332	4,086,913	
Housing Successor Agency Fund	4,150,617	1,306,326	5,456,943	899,463	4,557,480	5,456,943	
Other City Departments Operating Grant Trust Fund	29,876	0	29,876	0	29,876	29,876	
Parks and Recreation Operating Grant Trust Fund	123,091	152,363	275,454	152,363	123,091	275,454	
Perpetual Care Fund	38,244	500	38,744	500	38,244	38,744	
Police Operating Grant Trust Fund	51,110	0	51,110	0	51,110	51,110	
Prefunded Plan Review Fund	32,614	0	32,614	0	32,614	32,614	
Public, Educational, and Governmental Fee Fund	2,722,984	200,000	2,922,984	200,000	2,722,984	2,922,984	
Road Maintenance and Rehabilitation (SB1) Fund	1,021,779	2,550,000	3,571,779	2,500,000	1,071,779	3,571,779	
Traffic Mitigation Fund	2,962,561	1,150,000	4,112,561	1,600,000	2,512,561	4,112,561	9
Total Special Revenue and Other Funds	70,776,190	38,195,922	108,972,112	37,111,226	71,860,886	108,972,112	



BUDGET SUMMARY | SUMMARY OF FUND ACTIVITY

FY 2024/25						
Fund	Beginning Fund Balance	Revenue and Transfers	Total Sources Available	Expenditures and Transfers	Ending Fund Balance	Total Uses Available *
Enterprise Funds						
Cemetery Fund	391,447	1,603,500	1,994,947	1,591,088	403,859	1,994,947
Convention Center Enterprise Fund	1,688,663	18,193,014	19,881,677	18,284,444	1,597,233	19,881,677
Electric Operating Grant Trust Fund	67,677,532	40,164,067	107,841,599	34,309,180	73,532,419	107,841,599
Electric Utility Fund	296,585,745	757,243,956	1,053,829,701	752,145,329	301,684,372	1,053,829,701
Sewer Utility Fund	29,196,616	47,453,903	76,650,519	50,232,161	26,418,358	76,650,519
Solid Waste Fund	11,024,398	41,081,879	52,106,277	40,785,274	11,321,003	52,106,277
Water Recycling Fund	6,066,952	8,594,538	14,661,490	9,502,867	5,158,623	14,661,490 4,7
Water Utility Fund	19,962,776	66,333,834	86,296,610	61,185,602	25,111,008	86,296,610 4
Total Enterprise Funds	432,594,129	980,668,691	1,413,262,820	968,035,945	445,226,875	1,413,262,820
Internal Service Funds						
Communication Acquisitions Fund	1,778,773	1,013,568	2,792,341	1,013,568	1,778,773	2,792,341
Fleet Operations Fund	1,009,639	5,649,029	6,658,668	5,651,174	1,007,494	6,658,668
Information Technology Services Fund	3,371,091	12,956,944	16,328,035	12,956,944	3,371,091	16,328,035
Public Works Capital Projects Management Fund	689,300	4,362,916	5,052,216	4,362,916	689,300	5,052,216
Special Liability Insurance Fund	10,215,485	6,497,000	16,712,485	6,497,000	10,215,485	16,712,485
Unemployment Insurance Fund	210,585	0	210,585	110,000	100,585	210,585 7
Vehicle Replacement Fund	15,928,322	6,251,978	22,180,300	4,711,000	17,469,300	22,180,300
Workers' Compensation Fund	9,141,173	6,327,000	15,468,173	6,327,000	9,141,173	15,468,173
Total Internal Service Funds	42,344,368	43,058,435	85,402,803	41,629,602	43,773,201	85,402,803
Capital Improvement Program Funds						
Cemetery Capital Fund	44,418	0	44,418	0	44,418	44,418
City Affordable Housing Capital Fund	5,760,576	0	5,760,576	0	5,760,576	5,760,576
Convention Center Capital Fund	0	550,000	550,000	550,000	0	550,000
Electric Utility Capital Fund	51,815,065	56,252,674	108,067,739	56,252,674	51,815,065	108,067,739
Fire Department Capital Fund	918,327	234,374	1,152,701	234,374	918,327	1,152,701
General Government Capital Fund	1,259,721	875,000	2,134,721	875,000	1,259,721	2,134,721



BUDGET SUMMARY | SUMMARY OF FUND ACTIVITY

FY 2024/25						
Fund	Beginning Fund Balance	Revenue and Transfers	Total Sources Available	Expenditures and Transfers	Ending Fund Balance	Total Uses Available *
Capital Improvement Program Funds						
Library Department Capital Fund	131,279	0	131,279	0	131,279	131,279
Parks and Recreation Capital Fund	18,285,461	4,776,181	23,061,642	5,588,401	17,473,241	23,061,642
Patrick Henry Drive Infrastructure Improvement Fund	0	73,419	73,419	73,419	0	73,419
Public Buildings Capital Fund	1,670,153	180,272	1,850,425	180,272	1,670,153	1,850,425
Recycled Water Capital Fund	572,874	0	572,874	50,000	522,874	572,874
Related Santa Clara Developer Fund	598,382	391,422	989,804	391,422	598,382	989,804
Sewer Utility Capital Fund	24,631,917	18,047,101	42,679,018	18,192,330	24,486,688	42,679,018
Solid Waste Capital Fund	1,076,436	788,000	1,864,436	788,000	1,076,436	1,864,436
Storm Drain Capital Fund	4,361,253	1,553,633	5,914,886	1,553,633	4,361,253	5,914,886
Street Lighting Capital Fund	469,476	4,175,000	4,644,476	4,175,000	469,476	4,644,476
Streets and Highways Capital Fund	13,010,357	15,568,079	28,578,436	15,568,079	13,010,357	28,578,436
Tasman East Infrastructure Improvement Fund	4,429,072	0	4,429,072	28,150	4,400,922	4,429,072
Water Utility Capital Fund	10,108,782	885,000	10,993,782	3,885,000	7,108,782	10,993,782
Total Capital Improvement Program Funds	139,143,549	104,350,155	243,493,704	108,385,754	135,107,950	243,493,704
Other Agency Funds						
Sports and Open Space Authority Fund	1,392	10,200	11,592	10,200	1,392	11,592
Total Other Agency Funds	1,392	10,200	11,592	10,200	1,392	11,592
Debt Service Funds						
Electric Utility Debt Service Fund	13,770,773	36,296,170	50,066,943	36,296,170	13,770,773	50,066,943
Public Facilities Financing Corporation Fund	723,041	1,406,440	2,129,481	1,405,940	723,541	2,129,481
Sewer Utility Debt Service Fund	1,963,704	1,050,000	3,013,704	2,945,824	67,880	3,013,704
Total Debt Service Funds	16,457,518	38,752,610	55,210,128	40,647,934	14,562,194	55,210,128
Total City Funds	805,657,565	1,492,377,994	2,298,035,559	1,483,279,629	814,755,930	2,298,035,559



BUDGET SUMMARY | SUMMARY OF FUND ACTIVITY

***Explanations for FY 2023/24 Beginning Fund Balance and Ending Fund Balance Changes Greater Than 10%**

1. The accumulation of surplus revenues and/or expenditure savings is being used for budget balancing purposes.
2. The beginning fund balance includes carryover of the prior year's budget. If these carryovers are removed, the change in fund balance is less than 10% (except in the Electric Capital Fund where the change in fund balance is above 10%)
3. The accumulation of savings is being used for various one-time uses.
4. This fund's expenditure budget is determined using rates, fees and charges estimates for cost recovery; reflects the ramp up of activity
5. The accumulation of savings is being used to support future years' uses and/or to establish recommended reserve levels.
6. The establishment or elimination of the fund.
7. The planned draw down of accumulated fund balance and/or reserves
8. The revenue and expenditure activity are provided and managed by an outside agency; reflects planned use of fund balance to support expenditures.
9. Changes in expenditure levels related to timing changes in capital expenditures.

***Explanations for FY 2024/25 Beginning Fund Balance and Ending Fund Balance Changes Greater Than 10%**

1. The accumulation of surplus revenues and/or expenditure savings is being used for budget balancing purposes.
2. The beginning fund balance includes carryover of the prior year's budget. If these carryovers are removed, the change in fund balance is less than 10%.
3. The accumulation of savings is being used for various one-time uses.
4. This fund's expenditure budget is determined using rates, fees and charges estimates for cost recovery; reflects the ramp up of activity
5. The accumulation of savings is being used to support future years' uses and/or to establish recommended reserve levels.
6. The establishment or elimination of the fund.
7. The planned draw down of accumulated fund balance and/or reserves
8. The revenue and expenditure activity are provided and managed by an outside agency; reflects planned use of fund balance to support expenditures.
9. Changes in expenditure levels related to timing changes in capital expenditures.

BUDGET SUMMARY | OPERATING EXPENDITURES BY CATEGORY

	FY 2022/23 Adopted	FY 2023/24 Proposed	% Change	FY 2024/25 Proposed	% Change
Salary and Benefits					
Salary	168,750,461	179,767,609	6.5%	190,089,678	5.7%
As-Needed	8,003,445	8,821,262	10.2%	9,176,068	4.0%
Overtime	14,431,196	16,086,099	11.5%	15,212,181	(5.4%)
Retirement	76,841,754	78,294,083	1.9%	83,479,729	6.6%
Health Allocations	15,328,753	19,229,579	25.4%	20,292,053	5.5%
Medicare	2,783,107	3,073,912	10.4%	3,249,454	5.7%
Social Security	6,171,635	7,078,370	14.7%	7,358,503	4.0%
Other Benefits	8,913,804	10,322,997	15.8%	10,812,055	4.7%
Total Salary and Benefits	301,224,155	322,673,911	7.1%	339,669,721	5.3%
Non-Personnel					
Materials/Services/Supplies	170,360,467	218,224,123	28.1%	217,485,387	(0.3%)
Resource/Production	467,782,207	482,928,683	3.2%	520,393,604	7.8%
Interfund Services	53,193,665	55,992,674	5.3%	57,221,526	2.2%
Contribution In Lieu/Franchise	29,365,508	34,813,302	18.6%	38,453,696	10.5%
Capital Outlay	5,430,257	4,012,232	(26.1%)	6,148,568	53.2%
Other Expenditures	1,872,322	2,974,221	58.9%	1,306,494	(56.1%)
Transfers to Other Funds	114,102,256	96,364,576	(15.5%)	140,622,745	45.9%
Total Non-Personnel	842,106,682	895,309,811	6.3%	981,632,020	9.6%
Total Operating Expenditures by Category¹	1,143,330,837	1,217,983,722	6.5%	1,321,301,741	8.5%

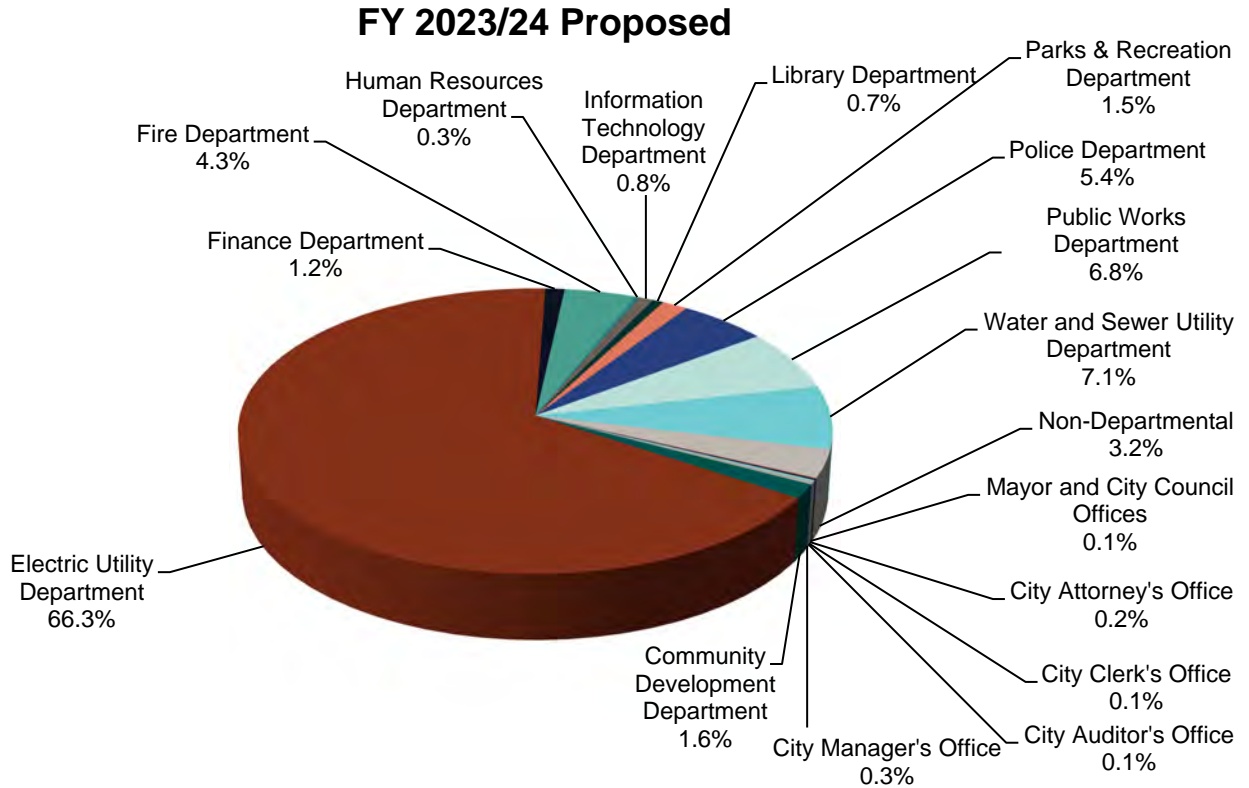
¹All years exclude other agency funds and debt service funds and internal service fund expenses not assigned to a department.

BUDGET SUMMARY | EXPENDITURES BY DEPARTMENT AND FUND TYPE

FISCAL YEAR 2023/24						
	General Fund	Internal Service Fund	Special Revenue Funds	Enterprise Funds	Capital Improvement Program Funds	Grand Total
Departments/Offices						
Mayor and City Council Offices	1,124,281					1,124,281
City Attorney's Office	3,076,516					3,076,516
City Clerk's Office	1,947,261					1,947,261
City Auditor's Office	948,445					948,445
City Manager's Office	4,980,204					4,980,204
Community Development Department	5,121,256		20,553,667			25,674,923
Electric Utility Department				719,003,859	351,697,203	1,070,701,062
Finance Department	18,192,257				575,000	18,767,257
Fire Department	62,616,032		7,115,977		427,374	70,159,383
Human Resources Department	4,208,090					4,208,090
Information Technology Department		13,094,932	200,000		300,000	13,594,932
Library Department	10,835,937					10,835,937
Parks & Recreation Department	21,933,152		424,155	1,535,171	1,298,457	25,190,935
Police Department	85,598,562	995,232	94,760			86,688,554
Public Works Department	25,599,934	12,363,697	10,023,330	39,316,243	23,013,984	110,317,188
Water and Sewer Utility Department				96,385,559	18,598,766	114,984,325
Non-Departmental	34,591,631			16,103,582	968,330	51,663,543
Total Expenditures¹	280,773,558	26,453,861	38,411,889	872,344,414	396,879,114	1,614,862,836

¹All years exclude other agency funds and debt service funds and internal service fund expenses not assigned to a department.

BUDGET SUMMARY | EXPENDITURES BY DEPARTMENT



BUDGET SUMMARY | EXPENDITURES BY DEPARTMENT AND FUND TYPE

FISCAL YEAR 2024/25						
	General Fund	Internal Service Fund	Special Revenue Funds	Enterprise Funds	Capital Improvement Program Funds ²	Grand Total
Departments/Offices						
Mayor and City Council Offices	1,176,723					1,176,723
City Attorney's Office	3,205,702					3,205,702
City Clerk's Office	2,067,068					2,067,068
City Auditor's Office	985,489					985,489
City Manager's Office	5,175,582					5,175,582
Community Development Department	5,392,464		19,916,832			25,309,296
Electric Utility Department				786,454,509	60,427,674	846,882,183
Finance Department	19,012,771				575,000	19,587,771
Fire Department	63,324,867		7,778,332		234,374	71,337,573
Human Resources Department	4,439,328					4,439,328
Information Technology Department		12,956,944	200,000		300,000	13,456,944
Library Department	11,317,625					11,317,625
Parks & Recreation Department	22,809,299		431,394	1,591,088	5,588,401	30,420,182
Police Department	90,185,180	1,013,568	97,603			91,296,351
Public Works Department	26,728,107	14,725,090	8,687,065	40,785,274	18,529,588	109,455,124
Water and Sewer Utility Department				120,920,630	21,789,295	142,709,925
Non-Departmental	31,638,763			18,284,444	941,422	50,864,629
Total Expenditures¹	287,458,968	28,695,602	37,111,226	968,035,945	108,385,754	1,429,687,495

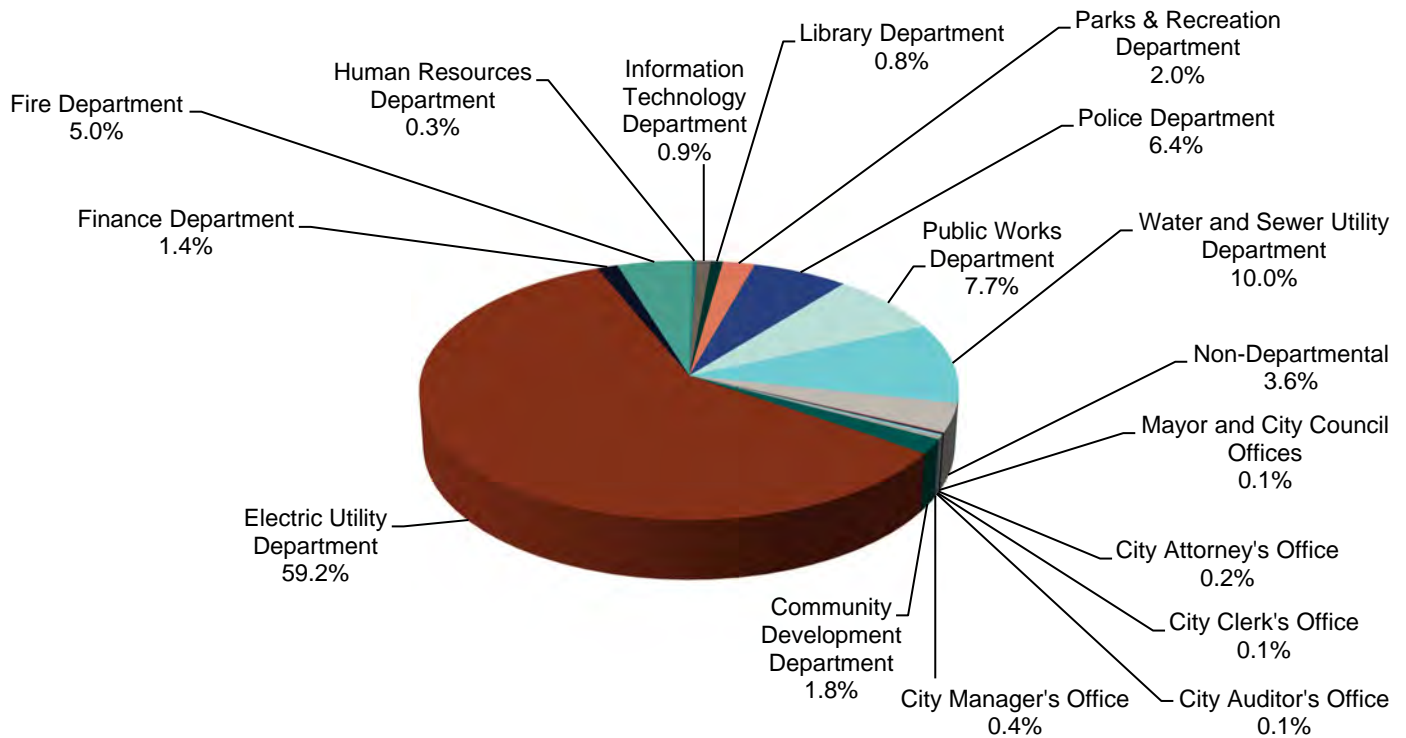
¹All years exclude other agency funds and debt service funds and internal service fund expenses not assigned to a department.

²The FY 2024/25 Capital Improvement Program information reflects the third year of the five-year CIP plan from the FY 2022/23 and 2023/24 Adopted Capital Improvement Program Budget. The proposed budget for FY 2024/25 and FY 2025/26 will be determined in next year's capital budget cycle.



BUDGET SUMMARY | EXPENDITURES BY DEPARTMENT

FY 2024/25 Proposed



This page is intentionally left blank.

Summary of Budgeted Positions by Department/Office

	FY 2021/22 Adopted	FY 2022/23 Adopted ¹	FY 2023/24 Proposed ¹	FY 2023/24 Change	FY 2024/25 Proposed ¹
Positions by Department/Office					
Mayor and City Council Offices	9.00	9.00	10.00	1.00	10.00
City Attorney's Office	8.00	8.00	7.00	(1.00)	7.00
City Auditor's Office	3.00	3.00	2.00	(1.00)	2.00
City Clerk's Office	6.00	7.00	7.00	0.00	7.00
City Manager's Office	12.50	12.50	11.30	(1.20)	11.30
Community Development Department ^{2, 4}	72.00	73.00	75.00	2.00	79.00
Electric Utility Department ³	198.00	214.00	222.00	8.00	222.00
Finance Department	68.75	69.75	70.75	1.00	70.75
Fire Department ^{4, 5}	154.50	155.50	173.50	18.00	173.50
Human Resources Department	14.00	15.00	15.00	0.00	15.00
Information Technology Department	6.00	6.00	6.00	0.00	6.00
Library Department ⁶	42.50	42.50	42.75	0.25	42.75
Parks and Recreation Department	77.75	77.75	77.75	0.00	77.75
Police Department ⁷	221.00	231.00	231.00	0.00	231.00
Department of Public Works ⁴	122.50	123.50	119.50	(4.00)	119.50
Water and Sewer Utilities Department	73.00	73.00	73.00	0.00	73.00
Non-Departmental	6.50	6.50	5.70	(0.80)	5.70
Total Budgeted FTE by Department/Office	1,095.00	1,127.00	1,149.25	22.25	1,153.25

¹The positions above represent all funded positions. This excludes 30.5 positions that are frozen including: the remaining 22.50 positions frozen on March 9, 2021 (Agenda Item 5.0 – Report to Council 21-402), the 5.0 positions frozen on June 22, 2021 (Agenda Item 5.0 – Report to Council 21-526), and the 3.0 positions recommended to be frozen in this Proposed Budget.

²The positions include 3.0 positions added during FY 2022/23 to support development related activity (Report to Council 22-1222) and 4.0 development-related positions recommended in FY 2024/25 as part of this Proposed Budget.

³This reflects 8.0 positions added during FY 2022/23 (3.0 positions added through Report to Council 22-1145 and 5.0 positions added through Report to Council 22-1772).

⁴The position counts exclude 7.0 positions that were originally funded by Related but are frozen beginning FY 2023/24 based on discussions with Related including 1.0 Senior Inspector in the Community Development Department, 1.0 Deputy Fire Marshal II and 1.0 Fire Protection Engineer in the Fire Department, and 1.0 Associate Engineer, 1.0 Principal Engineer, 1.0 Senior Civil Engineer, and 1.0 Public Works Inspector in the Department of Public Works.

⁵The positions include 18.0 Firefighters added from the SAFER grant (Report to Council 23-170, February 7, 2023), including 12.0 that were originally frozen on March 9, 2021 (Agenda Item 5.0 – Report to Council 21-402) and an additional 6.0 positions. This also includes 2.0 development-related positions added during FY 2022/23 (Report to Council 22-1145).

⁶This reflects the increase of an Office Specialist from 0.50 FTE to 0.75 FTE.

⁷The FY 2022/23 Adopted position count includes positions that were restored with the \$1.7 million added to the Police Department budget on June 21, 2021. This funding restored 10.0 FTE to the Police Department, approved by the City Council on January 11, 2022 (Report to Council 22-1595).



Summary of Budgeted Positions by Fund

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Fund					
General Fund (001)¹	718.46	732.51	723.52	(8.99)	723.52
Special Revenue Funds					
Building Development Services (155)	43.00	43.46	47.71	4.25	51.71
City Affordable Housing (165)	1.20	1.20	1.95	0.75	1.95
Convention Center Maintenance District (026)	0.10	0.10	0.10	0.00	0.10
Downtown Parking Maintenance District (025)	0.50	0.50	0.50	0.00	0.50
Fire Development Services (158)	0.00	0.00	9.04	9.04	9.04
Fire Operating Grant Trust (178)	0.00	0.00	18.00	18.00	18.00
Housing and Urban Development (562)	3.30	3.30	2.95	(0.35)	2.95
Housing Authority (164)	0.65	0.65	0.65	0.00	0.65
Housing Successor (169)	1.55	1.55	1.25	(0.30)	1.25
Subtotal Special Revenue Funds	50.30	50.76	82.15	31.39	86.15
Enterprise Funds					
Cemetery (093)	5.00	5.00	5.00	0.00	5.00
Convention Center Enterprise (860)	1.50	1.20	0.70	(0.50)	0.70
Electric (091, 191)	198.50	214.00	222.00	8.00	222.00
Recycled Water (097)	3.30	3.30	4.10	0.80	4.10
Sewer Utility (094)	22.45	22.45	22.85	0.40	22.85
Solid Waste (096)	6.65	6.65	7.10	0.45	7.10
Water Utility (092)	47.25	47.25	46.05	(1.20)	46.05
Subtotal Enterprise Funds	284.65	299.85	307.80	7.95	307.80
Internal Service Funds					
Fleet Management (053)	14.75	14.75	14.65	(0.10)	14.65
Information Technology Services (045)	6.00	6.00	6.00	0.00	6.00
Public Works Capital Projects Management (044)	14.34	14.13	14.13	0.00	14.13
Subtotal Internal Service Funds	35.09	34.88	34.78	(0.10)	34.78
Capital Improvement Program Funds					
Electric Utility Capital (591)	0.00	0.00	0.00	0.00	0.00
Related Santa Clara Developer (540)	6.50	9.00	1.00	(8.00)	1.00
Subtotal Capital Improvement Program Funds	6.50	9.00	1.00	(8.00)	1.00
Total Budgeted FTE by Fund	1,095.00	1,127.00	1,149.25	22.25	1,153.25

¹The positions above represent all funded positions. This excludes 37.5 positions that are frozen including: the remaining 22.50 positions frozen on March 9, 2021 (Agenda Item 5.0 – Report to Council 21-402), the 5.0 positions frozen on June 22, 2021 (Agenda Item 5.0 – Report to Council 21-526), and the 3.0 positions recommended to be frozen in this Proposed Budget. This also excludes 7.0 positions that were originally funded by Related but are frozen beginning FY 2023/24 based on discussions with Related including 1.0 Senior Inspector in the Community Development Department, 1.0 Deputy Fire Marshal II and 1.0 Fire Protection Engineer in the Fire Department, and 1.0 Associate Engineer, 1.0 Principal Engineer, 1.0 Senior Civil Engineer, and 1.0 Public Works Inspector in the Department of Public Works.

Summary of Frozen Positions by Department

The list below reflects the frozen positions, as approved by City Council on March 9, 2021 as part of the COVID-19 Phase 1 Budget Rebalancing and the 5.0 positions frozen on June 22, 2021 (Agenda Item 5.0 – Report to Council 21-526). The below count excludes the 12.0 Firefighter positions that were frozen as part of the March 9, 2021 actions but were subsequently restored by the City Council on February 7, 2023 (Report to Council 23-170) as part of the Fire SAFER grant. This list includes 7.0 positions that were originally funded by Related but are frozen beginning FY 2023/24 based on discussions with Related including 1.0 Senior Inspector in the Community Development Department, 1.0 Deputy Fire Marshal II and 1.0 Fire Protection Engineer in the Fire Department, and 1.0 Associate Engineer, 1.0 Principal Engineer, 1.0 Senior Civil Engineer, and 1.0 Public Works Inspector in the Department of Public Works. This list also includes the 3.0 positions recommended to be frozen in this Proposed Budget (1.0 Assistant City Attorney, 1.0 City Auditor, and 1.0 Assistant City Manager).

Department	Classification	FTE
City Attorney's Office	Legal Office Specialist III	1.00
City Attorney's Office	Assistant City Attorney	1.00
City Auditor's Office	City Auditor	1.00
City Manager's Office	Assistant City Manager	2.00
City Manager's Office	Senior Management Analyst	1.00
Community Development	Associate Planner	1.00
Community Development	Office Specialist II	0.75
Community Development	Senior Inspector	1.00
Finance	Office Specialist II	1.00
Fire	Deputy Fire Marshal II	1.00
Fire	Fire Protection Engineer	1.00
Fire	Quality Improvement Nurse	0.75
Human Resources	Human Resources Division Manager	1.00
Parks and Recreation	Grounds Maintenance Worker I	1.00
Parks and Recreation	Grounds Maintenance Worker II	2.00
Parks and Recreation	Office Specialist II	1.00
Police	Police Officer	4.00
Police	Police Sergeant	2.00
Public Works	Automotive Technician III	1.00
Public Works	Assistant Engineer (Civil)	1.00
Public Works	Associate Engineer (Civil)	2.00
Public Works	Principal Engineer	1.00
Public Works	Public Works Inspector	1.00
Public Works	Senior Engineer (Civil)	1.00
Public Works	Street Maintenance Worker I	1.00
Public Works	Street Maintenance Worker III	3.00
Public Works	Street Maintenance Worker IV	1.00
Non-Departmental	Deputy City Manager	1.00
Non-Departmental	Office Specialist III	1.00
Total Positions Frozen		37.50

This page is intentionally left blank.

DEBT SERVICE

Overview

Under the authority of the City Manager, the City executes debt instruments, oversees the accounting and reporting of debt, administers debt proceeds, manages continuing disclosure and debt compliance requirements, and makes debt service payments, while acting with prudence, diligence, and attention to prevailing economic conditions.

The City of Santa Clara uses debt financing as a tool to maintain its long-term financial stability by paying for certain expenditures over time. Debt financing is also a tool for managing cash flow when large, one-time outlays are required as in the case of constructing a new building or large-scale upgrades to infrastructure. This section provides a summary of the City's debt service for the ten-year forecast period. Included is the Computation of Legal Debt Margin, which calculates the City's debt limit as defined by the City Charter. Also included is a debt service schedule representing the currently outstanding debt of the City. The City does not currently have any outstanding general obligation debt.

Debt Policies

The Santa Clara City Charter, Section 1309, limits the allowable bonded indebtedness of the City at 15% of the total assessed valuation of property within the City, exclusive of revenue bonds or any indebtedness that has been or may be incurred for the purposes of acquiring, constructing, extending, or maintaining municipally owned utilities, for which purposes a further indebtedness may be incurred by the issuance of bonds, subject only to the provisions of the State constitution and the City Charter.

Section 1321 of the City Charter further provides for the issuance of revenue bonds when authorized at an election as provided therein. The City Charter also gives City Council the power to issue revenue bonds to finance the generation, production, transmission and distribution of electric energy, including the acquisition and/or construction of lands and facilities therefor, without authorization at an election.

The City's Debt Management Policy provides guidance for the issuance of bonds and other forms of indebtedness to finance land acquisition, construction, equipment, and other capital requirements of the City. While the issuance of debt is an appropriate method of financing capital projects and major equipment acquisitions, such issuance shall be carefully monitored.

The issuance of debt shall be closely aligned with the cash flow requirements of the projects being financed. Within the limitations of the City Charter, determining the amount of indebtedness the City can afford begins by assessing the sufficiency of future revenues. The amount of debt issued is based on the requirements of the approved Capital Improvement Program, subject to the condition that sufficient revenues are projected to be available to pay debt service. Factors such as debt service coverage requirements outlined in the bond indentures, the impact on the citizens (tax rates), and any impact on the bond ratings will be carefully considered. Different factors are considered for each type of credit. For example, electric, water or sewer bonds will take into consideration the impact on customer utility rates. Other factors such as providing debt capacity for future programs and existing and forecasted fund balances, including reserves, will also be taken into consideration.

The City believes that debt is an equitable means of financing projects and represents an important source of meeting fiscal responsibilities. The City obtains and maintains long-term debt for large capital improvement projects. The Finance Department manages the City's debt with prudence, diligence, and with attention to prevailing economic conditions and applicable laws. It manages issuance of debt, administers debt proceeds, prepares ongoing disclosure, handles debt and tax compliance, and makes debt service payments. City departments with debt-financed capital programs coordinate with the Finance Department in implementing and handling debt related transactions. Semiannual updates are prepared by the Finance Department on outstanding debt for the City of Santa Clara, its Agencies and Corporations. This report is presented as a standard management practice that provides a valuable overview of the current status of the City's long-term debt

obligations. The current City Council approved debt policy can be found online at: <http://santaclaraca.gov/home/showdocument?id=63748>.

Long-Term Debt Planning

The City employs a comprehensive multi-year, long-term capital improvement planning program that is updated every two years. Debt management is a major component of the financial planning model which incorporates projected financing needs for infrastructure development that is consistent with the City's growth, while at the same time measuring and assessing the cost and timing of any debt issuance.

Credit Rating

The City seeks to obtain and maintain the highest possible credit ratings for all categories of short- and long-term debt. The City's bonds are rated favorably by major bond rating agencies, Fitch and Standard and Poor's (S&P Global Ratings). S&P Global Ratings assigned City of Santa Clara its 'AA+' issuer credit rating (ICR) in June 2022 and affirmed City's Certificates of Participation 'AA' long-term rating in May 2022. The City's Electric Revenue Bonds are rated 'AA-' by Fitch and its 'A+' rating was affirmed by S&P in November 2022. Maintaining high bond ratings has resulted in a broader market for the City's bonds and lower interest costs to the City.

Public Facilities Financing Corporation

The City of Santa Clara Public Facilities Financing Corporation (PFFC) was formed in 1997 for the purpose of issuing Certificates of Participation (COPs) to provide financing for the construction of major City facilities. Members of the City Council are also members of the PFFC Board. Debt service on COPs is secured by lease payments made by the City's General Fund to the PFFC for use of the constructed facilities for public purposes. In accordance with lease agreements, the PFFC assigns lease payments received from the City to the trustee for payment to the certificate holders.

Long-Term Debt Obligations

Certificates of Participation (COPs) are a debt instrument evidencing a pro-rata share in a specific pledged revenue source, usually lease payments. These lease payments are typically secured by an installment sale or leaseback agreement. Revenues are pledged to pay lease payments, and such lease payments are used to pay debt service on the COPs. The lessor typically assigns the lease and the payment to a trustee, which distributes the payments to certificate holders. These obligations do not constitute indebtedness under the State constitutional debt limitation and are not subject to voter approval.

Lease Revenue Bonds are a lease obligation secured by a leaseback arrangement with a public entity, where general operating revenues are pledged to pay the lease payments, and in turn are used to pay debt service on the debt. These obligations do not constitute indebtedness under the State constitutional debt limitation and are not subject to voter approval.

In connection with COPs and Lease Revenue Bonds, payments to be made under valid leases are payable only in the year in which use and occupancy of the leased property is available, and lease payments may not be accelerated. Lease financing requires the fair market rental value of the leased property to be equal to or greater than the required debt service or lease payment schedule. The governmental lessee is obligated to place in its annual budget the rentals that are due and payable during each fiscal year the lessee has use of the leased property.

Installment Sale Agreements are debt obligations secured by the assignment of installment payments required to be paid by the City from certain pledged revenues, such as revenues from an enterprise, in an amount sufficient to pay the installment payments, including interest. The City's outstanding Installment Sale Agreements are payable solely from the City's Sewer Utility and is not secured by any pledge of ad valorem taxes or General Fund revenues of the City. These obligations do not constitute indebtedness under the State constitutional debt limitation and are not subject to voter approval.

Revenue Bonds are obligations payable from revenues generated by an enterprise, such as electric, water, or wastewater utilities. The City's outstanding utility Revenue Bonds are payable solely from the City's Electric Utility and Sewer Utility Enterprise Funds and are not secured by any pledge of ad valorem taxes or General Fund revenues of the City.

Summary of FY 2023/24 and 2024/25 Debt Service

The Biennial Operating Budget Operating Budget includes \$59,723,048 in debt service for FY 2023/24 and \$40,647,934 in debt service for FY 2024/25. A ten-year debt service schedule is shown herein.

2010 City of Santa Clara Lease Agreement (Police Administration Building Project)

On July 13, 2010, the City entered into an agreement with the PFFC in order to provide funds to refund outstanding 1997 Certificates of Participation, which were originally issued to provide financing to build a new Police Administration building. The PFFC entered into a separate agreement with the assignee, Bank of America, N.A. Debt service on the Lease Agreement is secured by lease payments made by the City to the assignee for use of the Police Administration site. On March 22, 2012, Bank of America sold and transferred the Lease Agreement to Capital One Public Financing, LLC with no change to the terms, covenants, or conditions of the contract or the payment schedule. Lease payments were due semiannually beginning February 1, 2011 through February 1, 2022 with a coupon rate of 3.65%. This debt was paid in full at the end of FY 2021/22.

2013 Refunding Certificates of Participation (Central Park Library Project)

On March 28, 2013, the PFFC issued \$18.54 million of Refunding Certificates of Participation (2013 COPs) to provide funds to refund outstanding 2002A Certificates of Participation, which were originally issued to provide financing to build a new Central Park Library. The 2013 COPs mature annually beginning February 1, 2014 through February 1, 2032 and bear coupon rates ranging from 2.00% to 3.75%. Debt Service is secured by lease payments to be made by the City to the PFFC for use of the library site. The PFFC assigns the lease payments to the certificate owners.

Installment Sale Agreement, Series 2016 (Trimble Road Sewer Project)

On March 8, 2016, the City entered into a \$12.0 million Installment Sale Agreement with the PFFC in order to provide funds for the Trimble Road Trunk Sanitary Sewer Improvement Project. The PFFC entered into a separate Assignment Agreement with DNT Asset Trust, a wholly owned subsidiary of JPMorgan Chase National Association (the "Agreement"), to assign its rights under the Installment Sale Agreement to DNT Asset Trust. The Agreement has an interest rate of 2.14% and semiannual payments beginning August 1, 2016 through February 1, 2031. Installment payments on the Agreement are secured by a pledge of net revenues of the Wastewater System.

Installment Sale Agreement, Series 2020 (Regional Wastewater Facility)

The City co-owns the Regional Wastewater Facility with the City of San José. The facility is being rebuilt, with the City's portion of the costs budgeted as a separate project in the current Capital Improvement Program budget. The Water and Sewer Utilities Department oversees it. On June 11, 2020, the City entered into an Installment Sale Agreement (the "ISA") with the PFFC to provide funds for the San Jose/Santa Clara Regional Wastewater Facility Project (the "Project"). The PFFC entered into a separate Assignment Agreement with JPMorgan Chase Bank, N.A. (the "Assignment Agreement"), to assign its rights under the ISA to JPMorgan Chase Bank, N.A. The ISA in the amount of \$50.0 million carries a variable rate of interest equal to 80% of Term SOFR (Secured Overnight Financing Rate) plus SOFR adjustment of 0.10%, and plus 0.95% per annum.

The City may draw on the Installment Sale Agreement as necessary with an initial \$20.0 million drawn on the date of closing. Interest is due each January 1 and July 1, commencing January 1, 2021. Principal on outstanding advances is due on or before July 1, 2024. In addition, the PFFC shall pay an undrawn fee on any amount not yet drawn at a rate of 0.325% per annum on each interest payment date. Installment payments on the Agreement are secured by a pledge of net revenues

of the Wastewater System on a subordinate basis to the Trimble Road Installment Payments. No additional draw-downs were made nor planned.

Electric Revenue Refunding Bonds, Series 2013A

On April 24, 2013, Silicon Valley Power (SVP), City's Electric Department, issued \$64.38 million of Electric Revenue Refunding Bonds, Series 2013A (Electric 2013A Bonds), to provide funds, together with other available moneys, to refinance outstanding Electric 2003A Bonds. The Electric 2013A Bonds mature annually beginning on July 1, 2014 through July 1, 2028 and bear coupon rates ranging from 3.00% to 5.00%. Debt service on the Electric 2013A Bonds is secured by a pledge of net revenues of the Electric Utility Enterprise Fund.

The Electric 2013A Bonds maturing July 1, 2023 through July 1, 2028 were refunded on April 10, 2020 by the Subordinate Electric Revenue Refunding Bonds, Series 2020-2 described below. The refunding of a portion of the Electric 2013A Bonds resulted in overall savings of \$1,706,384.

Electric Revenue Refunding Bonds, Series 2018A

On December 18, 2018, SVP issued \$48.80 million of Electric Revenue Refunding Bonds, Series 2018A (Electric 2018A Bonds) to refinance \$54.58 million outstanding principal amount of Variable Rate Demand Electric Revenue Bonds, Series 2008B and terminate a related interest rate swap transaction. The Electric 2018A Bonds mature annually beginning on July 1, 2019 through July 1, 2027 and bear coupon rates of 5.00%. Debt service on the Electric 2018A Bonds is secured by a pledge of net revenues of the Electric Utility Enterprise Fund.

Subordinate Electric Revenue Refunding Bonds, Series 2020-1, 2020-2, and 2020-3

Series 2020-1 Bonds

On April 10, 2020, SVP issued \$52.985 million of Subordinate Electric Revenue Refunding Bonds, Series 2020-1 (Electric 2020-1 Bonds) to refinance \$54.83 million outstanding principal amount of Electric Revenue Refunding Bonds, Series 2011 A. The Electric 2020-1 Bonds bear 1.74% coupon rates, mature annually beginning on July 1, 2028 through July 1, 2032, and were sold at an All-In True Interest Cost of 1.43%.

On April 2, 2021, the Electric 2020-1 Bonds were converted to tax-exempt basis, which now bear 1.36% coupon rates. Debt service on the Electric 2020-1 Bonds is secured by a pledge of Available Electric Revenues of SVP on a basis subordinate to outstanding Senior Electric Revenue Bonds, if any.

Series 2020-2 Bonds

On April 10, 2020, SVP issued \$34.315 million of Subordinate Electric Revenue Refunding Bonds, Series 2020-2 (Electric 2020-2 Bonds) to refinance \$30.725 million of outstanding Electric Revenue Refunding Bonds, Series 2013 A. The Electric 2020-2 Bonds bear 1.31% coupon rates, mature annually beginning on July 1, 2023 through July 1, 2028, and were sold at an All-In True Interest cost of 1.21%.

On December 28, 2022, the Electric 2020-2 Bonds were converted to tax-exempt basis, which now bear 1.02% coupon rates. Debt service on the Electric 2020-2 Bonds is secured by a pledge of Available Electric Revenues of SVP on a basis subordinate to outstanding Senior Electric Revenue Bonds, if any.

Series 2020-3 Bonds

On April 10, 2020, SVP issued \$16.72 million of Subordinate Electric Revenue Refunding Bonds, Series 2020-3 (Electric 2020-3 Bonds) to refinance \$19.413 million outstanding principal amount of Subordinated Electric Revenue Bonds, Series 2014. The Electric 2020-3 Bonds bear 0.58% coupon rates, mature annually beginning on July 1, 2020 through July 1, 2024, and were sold at an All-In True Interest Cost of 0.70%. Debt service on the Electric 2020-3 Bonds is secured by a pledge of Available Electric Revenues of SVP on a basis subordinate to outstanding Senior Electric Revenue Bonds, if any.

Regional Wastewater Facility Debt Planned

It is the Water and Sewer Utilities Department's intention to issue debt in FY 2023/24, in the amount of \$30.0 million, to refinance Series 2020 (Regional Wastewater Facility) Installment Sale Agreement of \$20.0 million principal outstanding, as described above, and borrow an additional \$10.0 million of new debt for the final phase of this capital project. This new issuance and preliminary debt service amounts are reflected in the City's Debt Service Schedule.

Electric Debt Planned

Silicon Valley Power (SVP), City's Electric Department, intends to issue new debt in FY 2023/24, in the amount of \$305.3 million to finance several of its capital projects in the System Expansion Plan. These projects include Kifer Receiving Station (KRS) rebuild, Scott Receiving Station (SRS) rebuild, Northern Receiving Station (NRS) transformer and breaker upgrades, and NRS/KRS 115kV transmission line construction. KRS was constructed in 1975 and the project will expand capacity to 900MVA from 372 MVA plus other associated work. SRS was constructed in 1968 and the project will also expand capacity to 900MVA from 372 MVA plus other associated work. NRS was constructed in 2004 and the project includes installing additional transformers and reconfiguring/expanding associated air insulated switchgear to increase station reliability and capacity. The NRS/KRS new transmission line construction will help balance and redistribute energy between the receiving stations. This new issuance and preliminary debt service amounts are reflected in the City's Debt Service Schedule.



**CITY OF SANTA CLARA
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(In Thousands)**

Fiscal Year Ending June 30	Net Local Secured Roll ⁽¹⁾	State Assessed Valuation	Net Unsecured Roll	Net Assessed Valuation	Total Assessed Valuation	% of Growth of Assessed Valuation	Total Direct Tax Rate
2012 / 13	20,475,348	4,641	4,702,675	25,182,664	25,295,792	99.55%	6.19%
2013 / 14	22,216,962	4,641	4,680,536	26,902,139	27,012,697	99.59%	6.83%
2014 / 15	24,294,056	4,183	4,352,204	28,650,443	28,758,679	99.62%	6.50%
2015 / 16	27,659,960	4,183	5,157,346	32,821,489	32,927,777	99.68%	14.56%
2016 / 17	30,672,596	4,183	5,856,885	36,533,664	36,638,297	99.71%	11.31%
2017 / 18	33,449,607	3,896	6,553,560	40,007,063	40,109,539	99.74%	9.51%
2018 / 19	36,596,483	354	7,266,592	43,863,429	43,964,914	99.77%	9.64%
2019 / 20	38,502,828	870	7,629,244	46,132,942	46,232,453	99.78%	5.17%
2020 / 21	42,047,766	870	7,972,493	50,021,129	50,118,954	99.80%	8.43%
2021 / 22	44,162,052	870	8,007,077	52,169,999	52,264,729	99.82%	4.30%

Note:

(1) Net of Home Owner Property Tax Relief.

Source: County of Santa Clara, Department of Finance



City of Santa Clara Legal Debt Margin Information Last Ten Fiscal Years (In Thousands)				
Fiscal Year Ending June 30	Net Assessed Valuation	Debt Limit- 15% of Assessed Valuation ⁽¹⁾	Debt Applicable to Limit	Legal Debt Margin
2012 / 13	25,182,664	3,777,400	-	3,777,400
2013 / 14	26,902,139	4,035,321	-	4,035,321
2014 / 15	28,650,443	4,297,567	-	4,297,567
2015 / 16	32,821,489	4,923,223	-	4,923,223
2016 / 17	36,533,664	5,480,050	-	5,480,050
2017 / 18	40,007,063	6,001,059	-	6,001,059
2018 / 19	43,863,429	6,579,514	-	6,579,514
2019 / 20	46,132,942	6,934,868	-	6,934,868
2020 / 21	50,021,129	7,503,169	-	7,503,169
2021 / 22	52,169,999	7,825,500	-	7,825,500

Note:

(1) Section 1309 of the City Charter of the City states: "Bonded Debt Limit. The bonded indebtedness of the City may not in the aggregate exceed the sum of fifteen percent (15%) of the total assessed valuation of property within the City, exclusive of revenue bonds or any indebtedness that has been or may hereafter be incurred for the purposes of acquiring, constructing, extending, or maintaining municipally owned utilities for which purposes a further indebtedness may be incurred by the issuance of bonds, subject only to the provisions of the State Constitution and this Charter."

Sources: County of Santa Clara, Department of Finance and City of Santa Clara



DEBT SERVICE SCHEDULE

Bond Issue	Actual 2021/22	Current 2022/23	Proposed 2023/24	Proposed 2024/25	Plan 2025/26	Plan 2026/27	Plan 2027/28	Plan 2028/29	Plan 2029/30	Plan 2030/31	Plan 2031/32	Plan 2032/33
------------	-------------------	--------------------	---------------------	---------------------	-----------------	-----------------	-----------------	-----------------	-----------------	-----------------	-----------------	-----------------

Current Debt Issued

Lease Financing:

2010 Lease Financing

(Police Administration Building Project)

Principal	1,065,000	0	0	0	0	0	0	0	0	0	0	0
Interest	29,164	0	0	0	0	0	0	0	0	0	0	0
	<u>1,094,164</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Total Lease Financing	1,094,164	0	0	0	0	0	0	0	0	0	0	0
-----------------------	-----------	---	---	---	---	---	---	---	---	---	---	---

Certificates of Participation:

2013 Refunding COPs

(Central Park Library Project)

Principal	940,000	980,000	1,030,000	1,085,000	1,120,000	1,150,000	1,195,000	1,235,000	1,280,000	1,325,000	665,000	0
Interest	467,275	420,275	371,275	319,775	285,869	249,469	209,219	167,394	122,625	74,625	24,937	0
Trustee	1,165	1,165	1,165	1,165	1,165	1,165	1,165	1,165	1,165	1,165	1,165	0
Arbitrage Computation	0	1,900	0	0	0	0	1,900	0	0	0	0	0
	<u>1,408,440</u>	<u>1,403,340</u>	<u>1,402,440</u>	<u>1,405,940</u>	<u>1,407,034</u>	<u>1,400,634</u>	<u>1,407,284</u>	<u>1,403,559</u>	<u>1,403,790</u>	<u>1,400,790</u>	<u>691,102</u>	<u>0</u>

Total Certificates of Participation	1,408,440	1,403,340	1,402,440	1,405,940	1,407,034	1,400,634	1,407,284	1,403,559	1,403,790	1,400,790	691,102	0
-------------------------------------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	---------	---

Installment Sale Agreement:

2016 Sanitary Sewer Improvements (Trimble Road Sewer Project)

Principal	761,763	778,152	794,893	811,995	829,465	847,310	865,540	884,161	903,183	922,615	0	0
Interest	175,687	159,298	142,556	125,454	107,985	90,139	71,910	53,288	34,266	14,834	0	0
Arbitrage Computation	0	0	0	0	2,150	0	0	0	0	0	0	0
	<u>937,450</u>	<u>937,450</u>	<u>937,449</u>	<u>937,449</u>	<u>939,600</u>	<u>937,449</u>	<u>937,450</u>	<u>937,449</u>	<u>937,449</u>	<u>937,449</u>	<u>0</u>	<u>0</u>



DEBT SERVICE SCHEDULE

Bond Issue	Actual 2021/22	Current 2022/23	Proposed 2023/24	Proposed 2024/25	Plan 2025/26	Plan 2026/27	Plan 2027/28	Plan 2028/29	Plan 2029/30	Plan 2030/31	Plan 2031/32	Plan 2032/33
Current Debt Issued												
2020 Sanitary Sewer Improvements												
Principal	0	0	20,000,000	0	0	0	0	0	0	0	0	0
Interest	104,644	460,250	1,000,000	0	0	0	0	0	0	0	0	0
Arbitrage Computation	98,854	98,854	98,854	0	0	0	0	0	0	0	0	0
	203,499	559,104	21,098,854	0	0	0	0	0	0	0	0	0
Total Installment Sale Agreement												
	1,140,948	1,496,554	22,036,303	937,449	939,600	937,449	937,450	937,449	937,449	937,449	0	0
Revenue Bonds:												
Electric Revenue Refunding Bonds, Series 2013A												
Principal	4,320,000	4,545,000	0	0	0	0	0	0	0	0	0	0
Interest	335,250	113,625	0	0	0	0	0	0	0	0	0	0
Trustee	0	1,955	0	0	0	0	0	0	0	0	0	0
Arbitrage Computation	0	1,900	0	0	0	0	0	0	0	0	0	0
	4,655,250	4,662,480	0	0	0	0	0	0	0	0	0	0
Electric Revenue Refunding Bonds, Series 2018A												
Principal	4,785,000	5,110,000	5,440,000	5,795,000	6,005,000	6,320,000	6,655,000	0	0	0	0	0
Interest	1,885,875	1,638,500	1,374,750	1,093,875	798,875	490,750	166,375	0	0	0	0	0
Trustee	2,250	2,350	0	0	0	0	0	0	0	0	0	0
Arbitrage Computation	0	0	0	0	0	0	0	0	0	0	0	0
	6,673,125	6,750,850	6,814,750	6,888,875	6,803,875	6,810,750	6,821,375	0	0	0	0	0
Electric Revenue Refunding Bonds, Series 2020-1												
Principal	0	0	0	0	0	0	0	6,555,000	12,745,000	12,910,000	13,165,000	7,610,000
Interest	538,445	720,596	720,596	720,596	720,596	720,596	720,596	676,022	544,782	370,328	193,018	51,748
Trustee	1,250	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Arbitrage Computation	0	0	0	0	0	0	0	0	0	0	0	0
	539,695	723,096	723,096	723,096	723,096	723,096	723,096	7,233,522	13,292,282	13,282,828	13,360,518	7,664,248



DEBT SERVICE SCHEDULE

Bond Issue	Actual 2021/22	Current 2022/23	Proposed 2023/24	Proposed 2024/25	Plan 2025/26	Plan 2026/27	Plan 2027/28	Plan 2028/29	Plan 2029/30	Plan 2030/31	Plan 2031/32	Plan 2032/33
Current Debt Issued												
Revenue Bonds:												
Electric Revenue Refunding Bonds, Series 2020-2												
Principal	0	0	5,755,000	5,695,000	5,910,000	5,975,000	6,050,000	4,930,000	0	0	0	0
Interest	449,527	445,780	323,579	262,268	203,082	142,469	81,141	25,143	0	0	0	0
Trustee	1,250	2,500	2,500	2,000	2,000	2,000	2,000	2,000	0	0	0	0
Arbitrage Computation	0	1,350	0	0	0	0	0	0	0	0	0	0
	450,777	449,630	6,081,079	5,959,268	6,115,082	6,119,469	6,133,141	4,957,143	0	0	0	0
Electric Revenue Refunding Bonds, Series 2020-3												
Principal	3,900,000	3,925,000	3,945,000	3,970,000	0	0	0	0	0	0	0	0
Interest	79,982	57,290	34,467	11,513	0	0	0	0	0	0	0	0
Trustee	1,250	2,500	1,250	1,250	0	0	0	0	0	0	0	0
	3,981,232	3,984,790	3,980,717	3,982,763	0	0	0	0	0	0	0	0
Total Electric Revenue Bonds	16,300,079	16,570,846	17,599,642	17,554,002	13,642,053	13,653,315	13,677,612	12,190,665	13,292,282	13,282,828	13,360,518	7,664,248
Total Current Debt Issued	19,943,631	19,470,740	41,038,385	19,897,391	15,988,687	15,991,398	16,022,346	14,531,673	15,633,521	15,621,067	14,051,620	7,664,248
Debt to be Issued												
2023 Regional Wastewater Facility												
Principal	0	0	1,100,000	700,000	730,000	760,000	795,000	830,000	870,000	910,000	950,000	990,000
Interest	0	0	905,250	1,308,375	1,276,875	1,244,025	1,209,825	1,174,050	1,136,700	1,097,550	1,056,600	1,013,850
	0	0	2,005,250	2,008,375	2,006,875	2,004,025	2,004,825	2,004,050	2,006,700	2,007,550	2,006,600	2,003,850
Electric Bonds												
Principal	0	0	4,452,763	5,116,097	5,346,322	5,586,907	5,838,317	6,101,042	6,375,588	6,662,490	6,962,302	7,275,606
Interest	0	0	12,224,250	13,623,671	13,393,446	13,152,862	12,901,451	12,638,727	12,364,180	12,077,279	11,777,466	11,464,163
Trustee	0	0	2,400	2,400	2,400	2,400	2,400					
	0	0	16,679,413	18,742,168	18,742,168	18,742,169	18,742,168	18,739,769	18,739,768	18,739,769	18,739,768	18,739,769
Total Debt to be Issued	0	0	18,684,663	20,750,543	20,749,043	20,746,194	20,746,993	20,743,819	20,746,468	20,747,319	20,746,368	20,743,619
Total Current Debt Service and Debt to be Issued	19,943,631	19,470,740	59,723,048	40,647,934	36,737,730	36,737,592	36,769,339	35,275,492	36,379,989	36,368,386	34,797,988	28,407,867

DEBT SERVICE FUNDS

Under the authority of the City Manager, the City executes debt instruments, oversees the accounting and reporting of debt, administers debt proceeds, manages continuing disclosure and debt compliance requirements, and makes debt service payments, while acting with prudence, diligence, and attention to prevailing economic conditions.

The City of Santa Clara uses debt financing as a tool to maintain its long-term financial stability by paying for certain expenditures over time. Debt financing is also a tool for managing cash flow when large, one-time outlays are required as in the case of constructing a new building or large-scale upgrades to infrastructure.

Public Facilities Financing Corporation (431)

The City of Santa Clara Public Facilities Financing Corporation (PFFC) was formed in 1997 for the purpose of issuing Certificates of Participation (COPs) to provide financing for the construction of major City facilities. Members of the City Council are also members of the PFFC Board. Debt service on COPs is secured by lease payments made by the City's General Fund to the PFFC for use of the constructed facilities for public purposes. In accordance with lease agreements, the PFFC assigns lease payments received from the City to the trustee for payment to the certificate holders.

Electric Utility Debt Service Fund (491)

The Electric Utility Debt Service Fund is used to pay principal, interest, and related service charges on obligations resulting from the issuance of debt by the Electric Utility. Bond proceeds are used to pay for capital costs associated with the Electric Utilities' generation, transmission and distribution facilities. Debt service is payable from Adjusted Net Revenues of the Electric Utility.

Sewer Utility Debt Service Fund (494)

The Sewer Utility Debt Service Fund is used to pay principal, interest, and related service charges on obligations resulting from the issuance of debt by the Sewer Utility. Bond proceeds are used to pay for capital improvements associated with the Sewer System, including the Trimble Road Trunk Sanitary Sewer Improvement Project and the San José-Santa Clara Regional Wastewater Facility Project. Debt service is payable from Net Revenues of the Sewer Utility.

The following section details the City of Santa Clara's Debt Service Funds' Statements of Sources and Uses and the Proposed Budget for Fiscal Year 2023/24 and Fiscal Year 2024/25.



DEBT SERVICE FUNDS | ELECTRIC UTILITY DEBT SERVICE FUND (491)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Bond Reserve	3,632,533	3,632,533	3,632,533	3,632,533	3,632,533
Reserve for Debt Service	9,817,239	10,158,819	10,158,819	10,138,240	10,138,240
Total Beginning Fund Balance	13,449,772	13,791,352	13,791,352	13,770,773	13,770,773
Revenue					
Bond Proceeds	0	0	0	305,250,000	0
Interest	337,675	0	0	0	0
Total Revenue	337,675	0	0	305,250,000	0
Transfers From					
Electric Utility Fund	16,305,884	16,548,917	16,548,917	34,279,056	36,296,170
Total Transfers From	16,305,884	16,548,917	16,548,917	34,279,056	36,296,170
Total Source of Funds	30,093,331	30,340,269	30,340,269	353,299,829	50,066,943
Expenditures					
Debt Service	16,294,079	16,535,212	16,555,791	34,270,406	36,288,020
Administrative Costs	7,900	13,705	13,705	8,650	8,150
Total Expenditures	16,301,979	16,548,917	16,569,496	34,279,056	36,296,170
Transfers To					
Electric Utility Capital Fund	0	0	0	305,250,000	0
Total Transfers To	0	0	0	305,250,000	0
Ending Fund Balance					
Bond Reserve	3,632,533	3,632,533	3,632,533	3,632,533	3,632,533
Reserve for Debt Service	10,158,819	10,158,819	10,138,240	10,138,240	10,138,240
Total Ending Fund Balance	13,791,352	13,791,352	13,770,773	13,770,773	13,770,773
Total Use of Funds	30,093,331	30,340,269	30,340,269	353,299,829	50,066,943



DEBT SERVICE FUNDS | PUBLIC FACILITIES FINANCING CORPORATION FUND (431)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Debt Reserve	707,202	707,202	707,202	707,202	707,202
Unrestricted	15,881	15,339	15,339	15,339	15,839
Total Beginning Fund Balance	723,083	722,541	722,541	722,541	723,041
Revenue					
Interest	623	1,000	1,000	500	500
Total Revenue	623	1,000	1,000	500	500
Transfers From					
General Fund	2,501,439	1,402,275	1,402,275	1,402,440	1,405,940
Total Transfers From	2,501,439	1,402,275	1,402,275	1,402,440	1,405,940
Total Source of Funds	3,225,145	2,125,816	2,125,816	2,125,481	2,129,481
Expenditures					
Debt Service	2,501,439	1,400,275	1,400,275	1,401,275	1,404,775
Administrative Costs	1,165	1,100	1,100	1,165	1,165
Arbitrage Computation	0	1,900	1,900	0	0
Total Expenditures	2,502,604	1,403,275	1,403,275	1,402,440	1,405,940
Ending Fund Balance					
Debt Reserve	707,202	707,202	707,202	707,202	707,202
Unrestricted	15,339	15,339	15,339	15,839	16,339
Total Ending Fund Balance	722,541	722,541	722,541	723,041	723,541
Total Use of Funds	3,225,145	2,125,816	2,125,816	2,125,481	2,129,481



DEBT SERVICE FUNDS | SEWER UTILITY DEBT SERVICE FUND (494)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Debt Reserve	4,916,274	5,664,361	5,664,361	6,005,257	1,963,704
Total Beginning Fund Balance	4,916,274	5,664,361	5,664,361	6,005,257	1,963,704
Revenue					
Debt Proceeds	0	0	0	30,000,000	0
Total Revenue	0	0	0	30,000,000	0
Transfers From					
Sewer Utility Fund	1,889,035	1,837,450	1,837,450	0	1,050,000
Total Transfers From	1,889,035	1,837,450	1,837,450	0	1,050,000
Total Source of Funds	6,805,309	7,501,811	7,501,811	36,005,257	3,013,704
Expenditures					
Debt Service	1,042,094	1,837,450	1,496,554	23,942,699	2,945,824
Administrative Costs	98,854	0	0	98,854	0
Total Expenditures	1,140,948	1,837,450	1,496,554	24,041,553	2,945,824
Transfers To					
Sewer Utility Capital Fund	0	0	0	10,000,000	0
Total Transfers To	0	0	0	10,000,000	0
Ending Fund Balance					
Debt Reserve	5,664,361	5,664,361	6,005,257	1,963,704	67,880
Total Ending Fund Balance	5,664,361	5,664,361	6,005,257	1,963,704	67,880
Total Use of Funds	6,805,309	7,501,811	7,501,811	36,005,257	3,013,704



Ten-Year General Fund Financial Forecast 2024 - 2034

March 2023

PURPOSE

The Ten-Year General Financial Forecast (Forecast) provides policy makers and the public an updated assessment of the City's fiscal health. The Forecast includes projections of ongoing General Fund revenues and expenditures for a ten-year period beyond the adopted biennial budget.

The Forecast serves as a strategic planning tool to assist the City Council, staff, and the public with decision-making as they work to adopt the budget and consider long-term financial strategies for the City. The Forecast also identifies known risk factors and vulnerabilities, and it provides a foundation for evaluating priorities and understanding trade-offs moving forward.

GENERAL FUND OVERVIEW

The Forecast compares anticipated General Fund revenues with base expenditures, which include the projected costs of providing the current level of service. Individual projections of revenues and expenditures are developed based on trend analyses, input from available economic reports, consultant recommendations, departments, updated salary and benefit information, and non-personnel costs. The most current information available is incorporated into the Forecast and refined on a moving forward basis.

This Forecast shows a General Fund shortfall of \$8.0 million in FY 2023/24 and \$8.9 million in FY 2024/25, with the projected deficit reaching a high of \$15.0 million in FY 2028/29 and a low of \$7.5 million in FY 2033/34. The projected shortfall of \$8.0 million in FY 2023/24 is equivalent to 2.8% of forecasted expenditures.

FY 2024-2034 General Fund Ten-Year Financial Forecast (\$ in millions)

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Projected Revenues	\$272.6	\$284.9	\$297.3	\$309.0	\$321.2	\$333.3	\$346.5	\$359.7	\$373.5	\$387.8	\$402.7
Projected Expenditures	\$280.6	\$293.8	\$308.2	\$320.8	\$332.7	\$348.3	\$360.5	\$373.9	\$383.3	\$396.4	\$410.2
Cumulative (Shortfall)/ Surplus	(\$8.0)	(\$8.9)	(\$10.9)	(\$11.8)	(\$11.5)	(\$15.0)	(\$14.0)	(\$14.2)	(\$9.8)	(\$8.6)	(\$7.5)
% of Expenses	2.8%	3.0%	3.5%	3.7%	3.5%	4.3%	3.9%	3.8%	2.5%	2.2%	1.8%

Note: The Forecast does not include the cost to address unmet/deferred infrastructure needs, the cost to fully fund public safety equipment replacement, additional contributions to reserves, one-time funding sources, and one-time expenditure needs.

The Forecast compares ongoing revenues and expenditures. It does not factor in one-time funding sources or items funded on a pay-as-you-go method with one-time sources. To the extent the biennial budget is balanced using one-time funding, such as reserves, that portion of the ongoing deficit would remain to be addressed in a future budget.

The City also has a significant backlog of unmet and deferred capital infrastructure needs that are not factored into this forecast. Historically, the City has funded many capital infrastructure and equipment needs with one-time funds on a pay-as-you-go basis. The use of one-time funds as the funding mechanism for capital improvements and various equipment that rely on the General Fund creates challenges. Staff will continue to evaluate potential options to create capacity to address those funding needs.

The forecast also does not include additional contributions to Reserves (Budget Stabilization Reserve, Capital Projects Reserve, Pension Reserve). Allocations to those reserves typically occur at the close of the fiscal year from excess revenues and expenditure savings. The forecast also does not factor in the additional revenue and associated expenses from future development projects given the uncertainty of those project schedules.

In addition to the elements described above that are not factored into the Forecast, the City has identified various risk factors that could have a potential impact on the Forecast. These include:

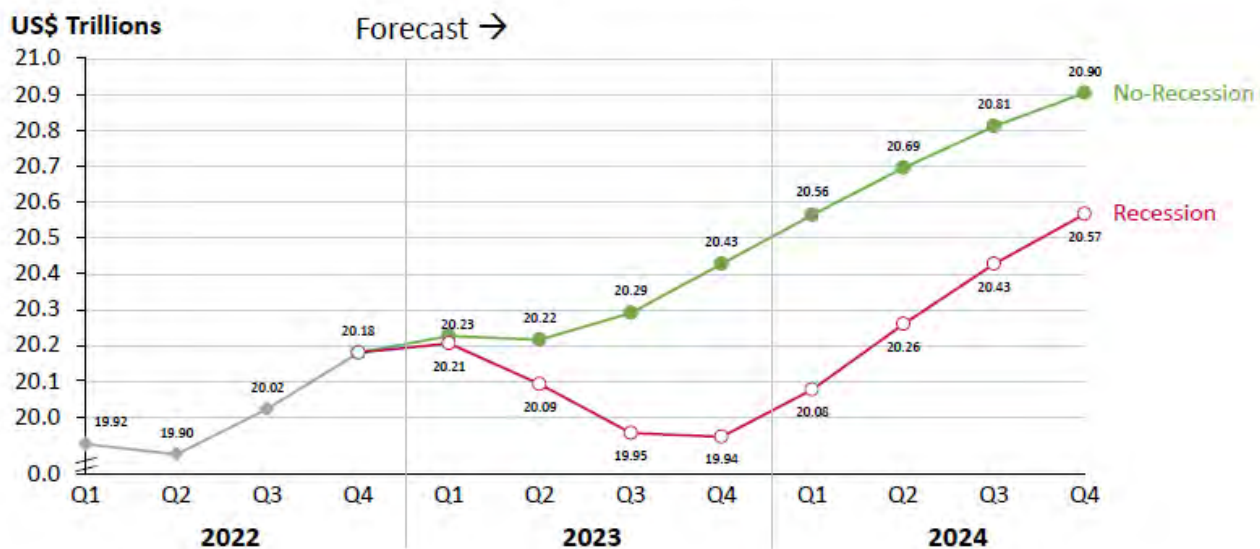
- Economic slowdown/recession (continued high inflation, federal reserve actions, and banking disruptions)
- State/federal legislative changes and legal challenges;
- Labor costs outside the budget assumptions;
- CalPERS actuarial changes or reform actions; and
- Unanticipated critical capital/infrastructure needs.

As the City has experienced in the past and with the latest COVID-19 pandemic, General Fund revenues may exceed or fall below expectations based on changes in economic or non-economic conditions. This type of volatility has been seen in the City's largest General Fund revenues, Property Tax, Sales Tax, and Transient Occupancy Tax (TOT). TOT receipts were the most severely impacted by the COVID-19 pandemic. Various cost elements can also vary from year to year, such as retirement costs that are impacted by the earnings assumptions and performance of the California Public Employees Retirement System (CalPERS).

ECONOMIC OUTLOOK

Economic indicators are mixed, and there is a tremendous amount of uncertainty. Given this level of uncertainty, both the December 2022 and March 2023 UCLA Anderson Forecasts presented a two-scenario approach: recession scenario and no recession scenario. The recession scenario predicts a recession occurring at the end of 2023, where “inflation would have continued to run hot if not for aggressive Federal Reserve action. In this scenario, the Federal Reserve forces a mild recession and accepts an economic contraction and higher unemployment to combat inflation.” In the no recession scenario, “economic growth slows but remains positive, inflation ebbs, labor markets remain robust, and the Federal Reserve takes a less aggressive approach to monetary policy tightening”.¹

Real GDP Levels, US\$ Trillions, Chained 2012 Prices, Seasonally Adjusted Annual Rates



Source: UCLA Anderson Forecast and U.S. Bureau of Economic Analysis

This uncertainty is also reflected in the February 2023 National Association for Business Economics (NABE) Outlook Survey, which found significant divergence regarding the outlook for the U.S. economy. “Estimates of inflation-adjusted gross domestic product or real GDP, inflation, labor market indicators, and interest rates are all widely diffused, likely reflecting a variety of options on the fate of the economy – ranging from recession to soft landing to robust growth.”²

Given this uncertainty, there is greater risk for variances in the economically sensitive revenues, such as Sales Tax, Transient Occupancy Tax and Property Tax. This Forecast assumes moderate economic growth in these areas, with Transient Occupancy Tax continuing to improve from the severe COVID-19 impacts. Adjustments may be necessary in future Forecasts depending on actual economic performance.

¹ UCLA Anderson Forecast, March 2023, Recession or No Recession? That is the Question

² [February 2023 Outlook Survey Summary \(nabe.com\)](https://www.nabe.com/February-2023-Outlook-Survey-Summary)

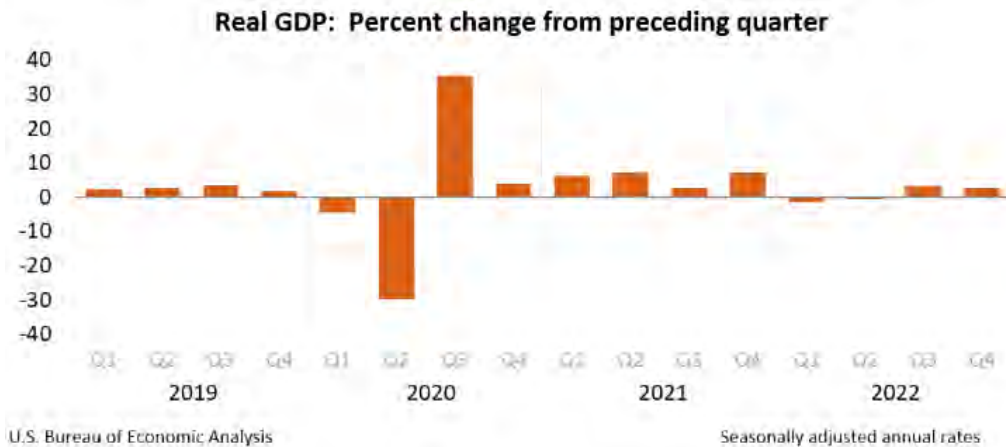
Employment data has remained positive with low unemployment rates. On a national level, the unemployment rate was 3.6% in February 2023. This rate was well below the record setting high of 14.7% in April 2020, and slightly above the pre-pandemic unemployment rate of 3.5%.

U.S. Civilian Unemployment Rate, seasonally adjusted



Note: shaded area represents recession, as determined by the National Bureau of Economic Research
Source: U.S. Bureau of Labor Statistics

In the fourth quarter 2022 second estimate, the Gross Domestic Product (GDP) increased at an annual rate of 2.7%, following a GDP increase of 3.2% in the third quarter. The GDP decelerated in the fourth quarter compared to the third due to downturns in exports, State and local government spending as well as a slowing in consumer spending.³



³ https://www.bea.gov/sites/default/files/2023-02/tech4q22_2nd.pdf



The unemployment rates at the state and local level also remain low, with this region outperforming both the State and the nation.

Unemployment Rate (Not Seasonally Adjusted)				
	Dec 2019	Dec 2020	Dec 2021	Dec 2022
Nation	3.4%	6.5%	3.7%	3.3%
California	3.9%	8.9%	5.0%	3.9%
San José-Sunnyvale-Santa Clara Metropolitan Statistical Area	2.4%	6.2%	2.9%	2.4%
Source: California Employment Development Department, U.S. Bureau of Labor Statistics				

Property values in Santa Clara remain high. In 2022, the median price of a single-family home was \$1.8 million, which was up from the 2021 level of \$1.64 million as shown in the Single-Family Residential Home Sales chart. The number of single-family closed sales, however, was down from 659 in 2021 to 515 in 2022. With the rise in interest rates from the historic lows experienced over the last several years, there is risk to this sector. In the first quarter 2023, the median single-family home price was \$1.6 million and there were 68 closed sales.



Data Source: Santa Clara County Association of Realtors

There are significant development projects underway in Santa Clara that will bring new revenues as well as new costs. The financial impacts of these developments have not been factored into this Forecast given the uncertainty regarding the timing. However, it is anticipated that this additional development activity will have a positive impact on the Forecast.

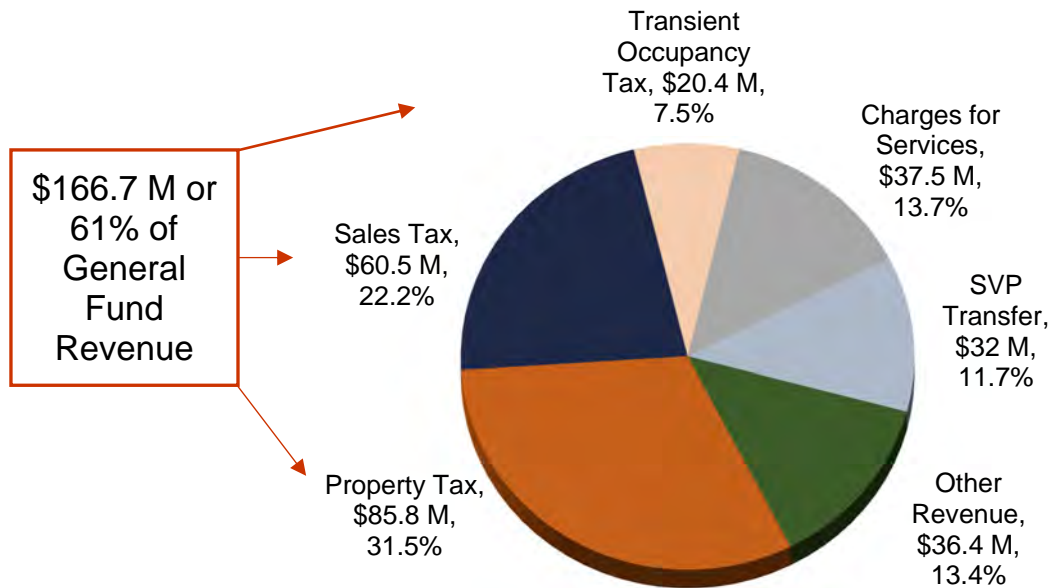
GENERAL FUND REVENUES

There are several General Fund revenue sources supporting the City's activities as shown in the table below.

FY 2024-2034 General Fund Revenue Sources (\$ in millions)											
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$ m	\$ m	\$ m	\$ m	\$ m	\$ m	\$ m	\$ m	\$ m	\$ m	\$ m
Property Tax	\$85.8	\$89.6	\$93.9	\$98.4	\$103.6	\$109.1	\$114.9	\$121.1	\$127.5	\$134.4	\$141.5
Sales Tax	\$60.5	\$62.4	\$64.2	\$66.1	\$68.1	\$70.2	\$72.3	\$74.4	\$76.7	\$79.0	\$81.3
Transient Occupancy Tax	\$20.4	\$22.0	\$23.1	\$24.0	\$25.0	\$25.9	\$27.0	\$28.1	\$29.2	\$30.4	\$31.6
Franchise Tax	\$5.2	\$5.3	\$5.5	\$5.6	\$5.8	\$6.0	\$6.1	\$6.3	\$6.5	\$6.7	\$6.9
Documentary Transfer Tax	\$1.6	\$1.6	\$1.7	\$1.7	\$1.7	\$1.8	\$1.8	\$1.8	\$1.9	\$1.9	\$2.0
Licenses and Permits	\$8.6	\$8.8	\$9.0	\$9.2	\$9.5	\$9.7	\$9.9	\$10.2	\$10.4	\$10.7	\$11.0
Fines and Penalties	\$1.2	\$1.2	\$1.2	\$1.2	\$1.2	\$1.2	\$1.3	\$1.3	\$1.3	\$1.3	\$1.3
Interest Income	\$3.5	\$3.7	\$4.2	\$4.4	\$4.5	\$4.6	\$4.8	\$4.9	\$5.1	\$5.2	\$5.4
Rents	\$13.4	\$14.9	\$16.8	\$18.2	\$19.2	\$19.6	\$20.6	\$21.1	\$21.6	\$22.0	\$22.5
Other Services Fees	\$37.7	\$38.7	\$40.0	\$41.0	\$42.0	\$43.0	\$44.0	\$45.1	\$46.2	\$47.3	\$48.4
Transfers from Other Funds	\$2.0	\$2.0	\$1.6	\$1.7	\$1.7	\$1.7	\$1.7	\$1.7	\$1.7	\$1.7	\$1.7
SVP Transfer	\$32.0	\$34.0	\$35.4	\$36.8	\$38.2	\$39.8	\$41.4	\$43.0	\$44.7	\$46.5	\$48.4
All Other Revenues	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7
Total Sources	\$272.6	\$284.9	\$297.3	\$309.0	\$321.2	\$333.3	\$346.5	\$359.7	\$373.5	\$387.8	\$402.7
% Change from Prior Yr		4.5%	4.4%	3.9%	3.9%	3.8%	4.0%	3.8%	3.8%	3.8%	3.8%

Sales tax and property tax comprise the largest individual sources of General Fund revenues, representing a combined \$146.3 million in FY 2023/24, or over 50% of the total. These categories along with Transient Occupancy Tax are economically sensitive and account for approximately 60% of the General Fund revenues.

FY 2023/24 General Fund Revenues (\$272.6 million)



Following is a discussion of the major General Fund revenue categories:

Property Tax

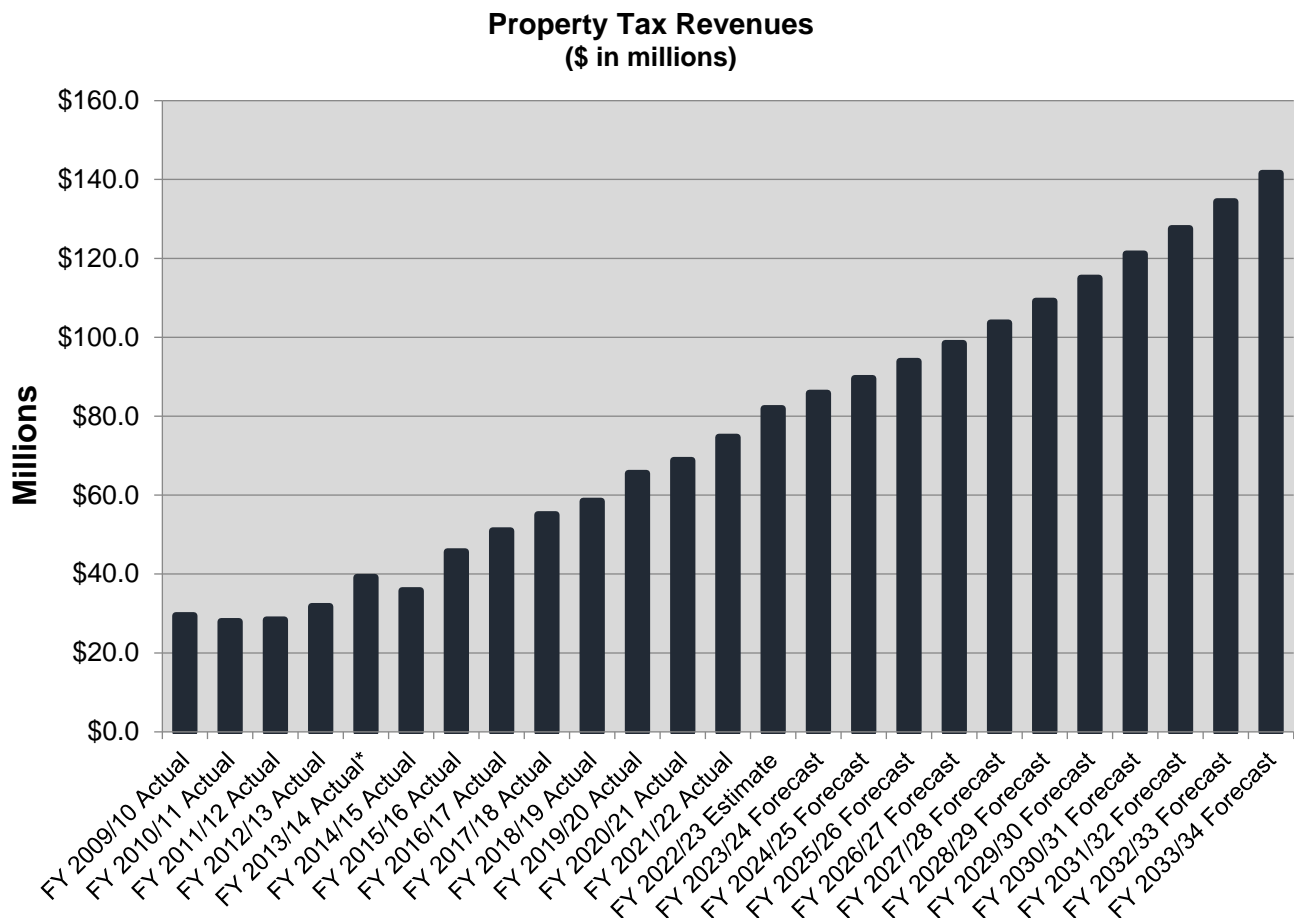
The Property Tax category includes Secured and Unsecured Property Taxes. The County of Santa Clara Office of the Assessor and the Controller-Treasurer Department meets quarterly with cities to review property tax revenue allocated to Santa Clara County cities. The Controller-Treasurer Department provides projections on the current year property tax receipts, including updates on the assessed valuation and estimates on anticipated adjustments made from property tax appeals. The current year estimates are used as the starting point in the Forecast. The County Assessor's Office also provides information to cities on a monthly basis on the status of the assessment roll for the upcoming year. In FY 2022/23, property tax receipts are estimated at \$81.9 million.

In FY 2023/24, property tax revenue is projected at \$85.8 million and includes secured property tax of \$82.9 million and unsecured property tax of \$2.9 million. Assessed valuation growth on secured property is projected at 6.0% and reflects the annual inflation factor based on Consumer Price Index (2% increase in FY 2023/24), growth due to property sales, and a general allowance for new construction projects being added to the tax rolls. In the remaining years of the forecast, annual assessed valuation growth of 4.5% - 5.5% is projected. In order to meet these growth projections, developments with assessed

valuation between \$700 million to \$1 billion would need to continue annually. By the end of the forecast period, Property Tax receipts are projected to reach \$141.5 million.

Secured Property Tax receipts include general secured property tax along with supplemental property tax (retroactive collections back to the point of sale for reassessments of value due to property resale), residual Redevelopment Agency (RDA) receipts (starting in FY 2022/23, the residual receipts ceased and the funds are allocated directly to the taxing entities' secured property tax roll), and excess Educational Revenue Augmentation Fund (ERAF) funds. Under Proposition 98, a portion of property tax receipts are allocated to the ERAF beginning in 1992 and once there are sufficient funds in ERAF to fulfill the obligation to the school districts, excess funds are returned to the taxing entities that contributed the funding. The Forecast assumes \$3.8 million from ERAF in FY 2023/24, which is lower than prior years as the County of Santa Clara has indicated that approximately 30% of the ERAF receipts are considered high risk due to disputes regarding the allocation of these funds.

Secured Property Tax receipts are expected to increase 4.9% in FY 2023/24, and 4.5% in FY 2024/25. Annual growth ranging from 4.9% to 5.5% is projected for the remaining years of the Forecast. Unsecured Property Tax receipts are projected to increase 1% annually over the forecast period. Overall, property tax receipts are expected to grow at an average annual rate of 5.1% over the forecast period.

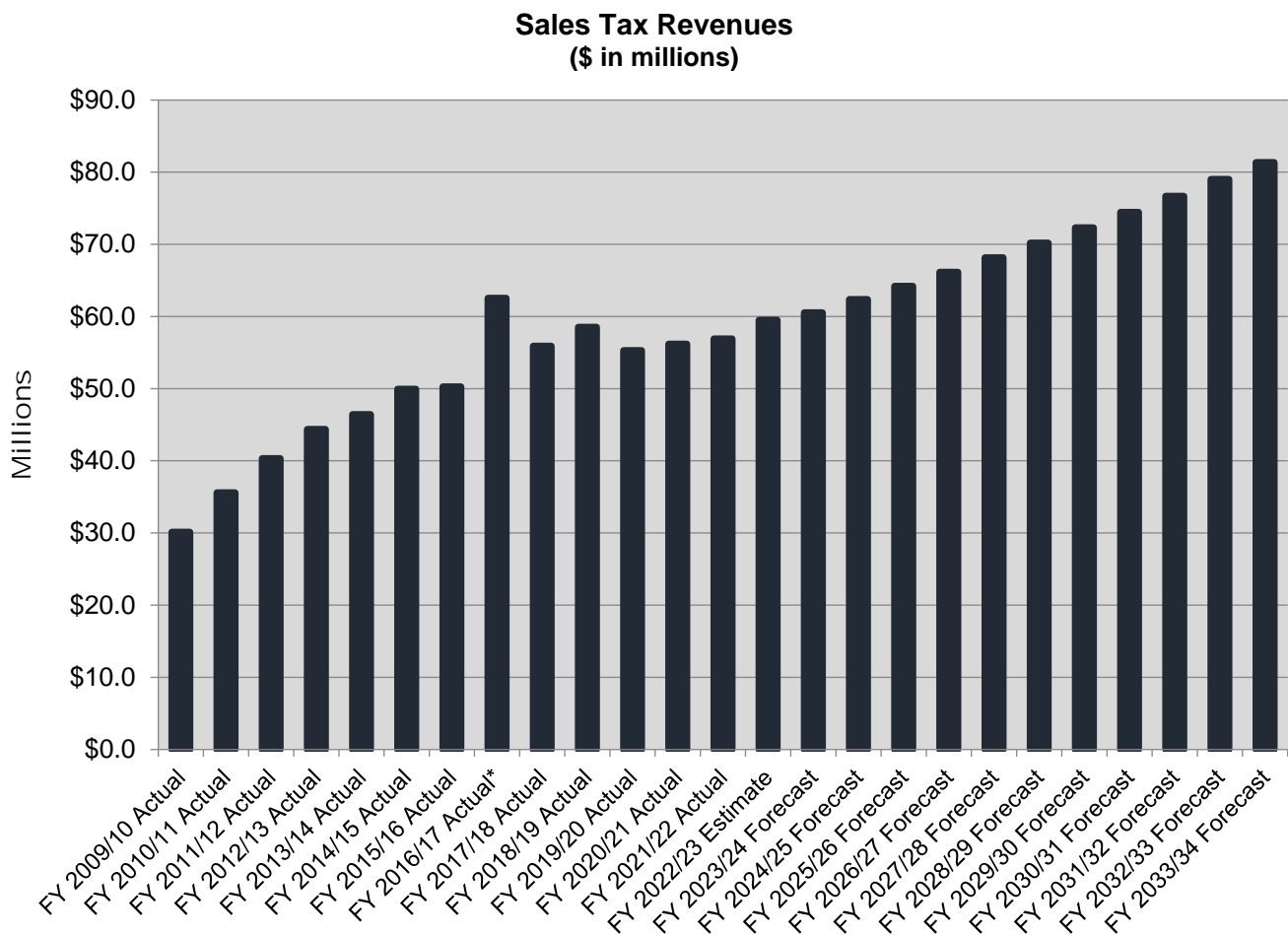


Note: FY 2013/14 includes one-time \$6.1 million due to Redevelopment Agency dissolution

Sales Tax

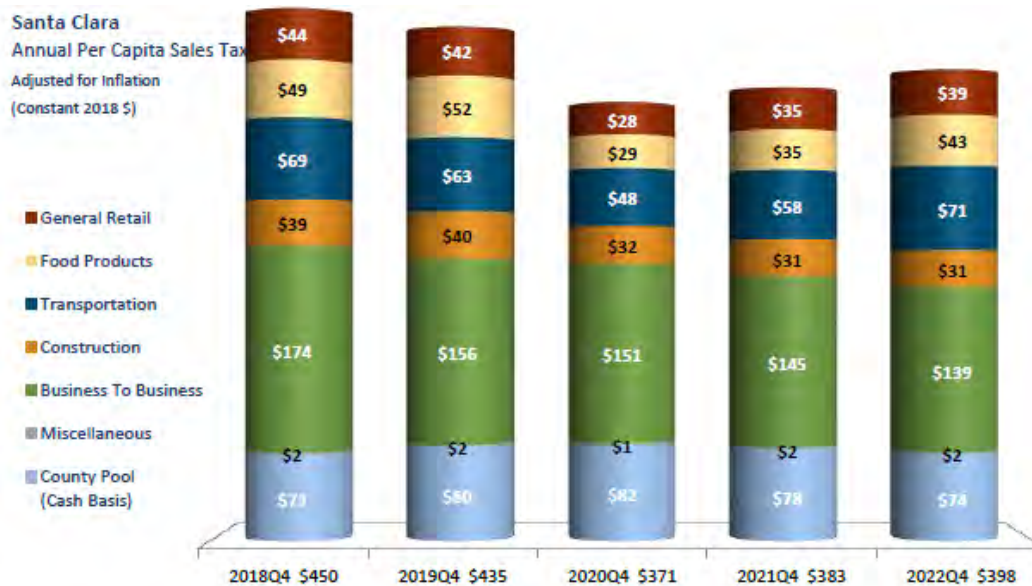
Santa Clara's sales tax collections are directly influenced by local, regional, national and international economic and business cycles. Because of this, sales tax collections are one of the most economically sensitive General Fund revenue sources. These collections, which were impacted by COVID-19, are expected to experience modest growth in FY 2023/24 and continue to grow throughout the forecast period.

As shown in the chart below, sales tax collections are expected to total \$60.5 million in FY 2023/24 and increase approximately 3% annually. Based on these projections, annual collections will reach \$81.3 million by FY 2033/34. These projections are based on a review of sales tax receipts and information provided by the City's sales tax consultant, Avenu Insights & Analytics. Their estimates incorporate individual category/segment projections with adjustments for known individual business anomalies such as missed payments or misallocations.



Note: FY 2016/17 includes a one-time true-up payment due to the unwinding of the State's Triple Flip.

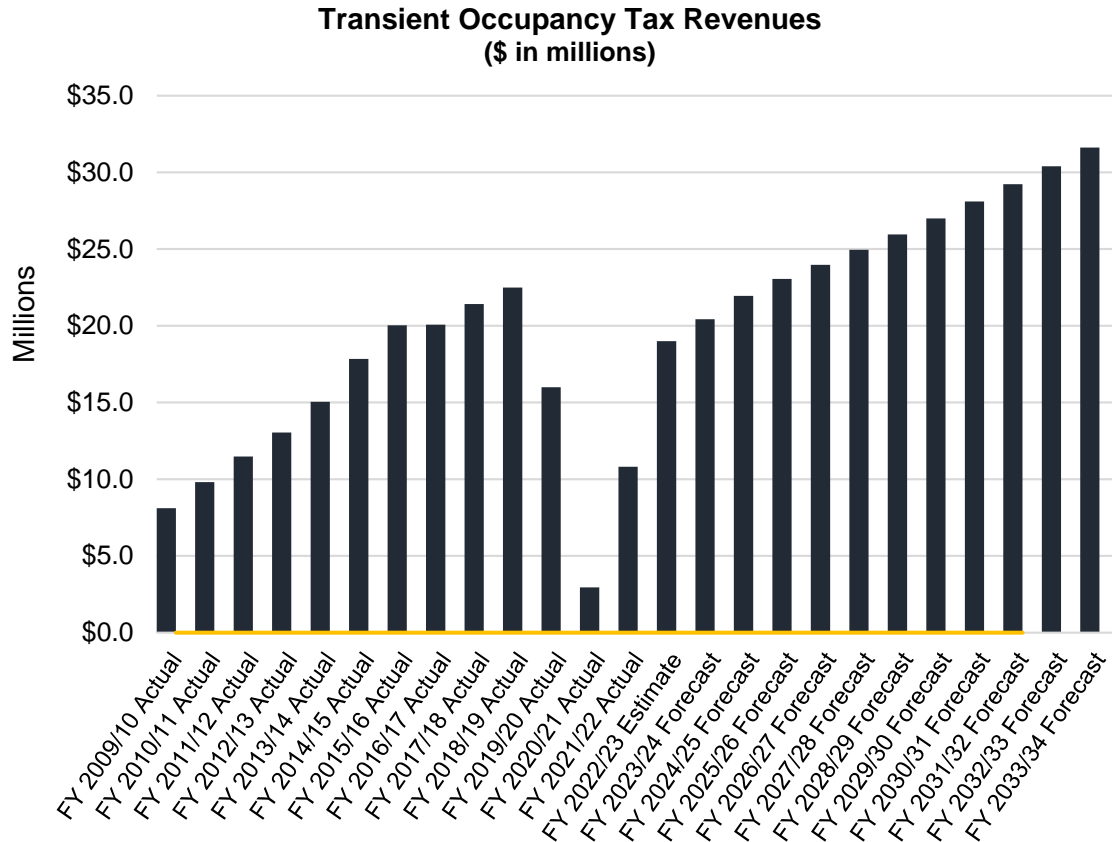
To provide context on how the City generates its sales tax revenues and the performance in recent years, the chart below from Avenu Insights & Analytics, the City's Sales Tax consultant, breaks out the sales tax per capita for the fourth quarter of each calendar year for the past five years, adjusted for inflation. The COVID-19 related impacts are reflected starting in the fourth quarter 2020 data with declines in General Retail, Food Products (includes restaurants), Transportation, and Business-to-Business. As shown in the chart, the City's largest sector is Business-to-Business, which continues to provide the foundation for the City's tax base.



Transient Occupancy Tax

Transient Occupancy Tax (TOT) is calculated as a percentage of City hotel/motel room charges. The City's current TOT rate is 11.5%. This rate increased from 9.5% to 11.5% effective January 1, 2022 as approved by the City Council on October 19, 2021. This implemented one-half of the up to four percentage point increase approved by the voters in November 2020. As with sales tax, TOT is sensitive to business cycles and can vary greatly from year to year based on occupancy levels and room rates. Prior to COVID-19, this category had experienced tremendous growth as shown in the TOT chart on the following page. With the COVID-19 safety restrictions, TOT receipts plummeted at the end of FY 2019/20 and through FY 2020/21. Collections began improving in FY 2021/22 and continue to experience strong growth in FY 2022/23 but remain below pre-COVID levels.

TOT receipts are projected to continue to improve over the forecast period with an increase to \$20.4 million in FY 2023/24 as this sector continues to recover from the COVID-19 impacts, followed by growth ranging from 4% to 7.5% annually over the forecast period. By the end of the Forecast period, TOT receipts are projected to reach \$31.6 million.



Other Taxes

Other Taxes include the Franchise Tax and Documentary Transfer Tax. The Franchise Tax revenues are projected at \$5.2 million in FY 2023/24 with annual 3% increases in the out years of the Forecast. The Documentary Transfer Tax, which is imposed on the transfer of the title of real property, is projected at \$1.6 million in FY 2023/24 with 2% annual increases in the out years of the Forecast.

Licenses and Permits

Licenses and Permits are projected to total \$8.6 million in FY 2023/24, including business licenses taxes at \$6.0 million, fire permits at \$2.0 million, parking permit at \$525,000, and encroachment and miscellaneous permits at \$69,000. This reflects the voter-approved change to the Business License Tax effective July 1, 2023 that updated the structure of the business tax and increased the amount of revenue expected to be generated. The Business License Tax can be increased annually by the Consumer Price Index with a maximum of 5% annually. For the Licenses and Permits category, average annual growth of 2.5% is projected in the out years of the Forecast, with revenues reaching \$11.0 million in FY 2033/34.

Fines and Penalties

Fines and Penalties are projected to total 1.2 million in FY 2023/24 and increase to \$1.3 million by FY 2033/34. This Forecast assumes late charge collections will resume in F 2022/23.

Interest Income

The City invests all funds not needed for current cash requirements in accordance with the City Council-approved Investment Policy. The factors that directly influence General Fund interest income include prevailing interest rates, the size of the portfolio and the relative percentage of the portfolio allocated to the General Fund. Based on the projected interest rates and cash balances, the General Fund is expected to receive \$3.5 million in interest in FY 2023/24. In the remaining years of the Forecast, interest earnings are projected to range from \$3.7 million to \$5.4 million.

Rents

The Rents category includes property rents and leases as well as right-of-way rental fees charged to the water sewer and utilities. In FY 2023/24, rent revenue is estimated to total \$13.4 million, including \$8.0 million from property rents and leases and \$5.4 million from right-of-way rental fees. This category factors in projected lease revenue from the Related project (increasing from \$761,000 to \$5.2 million) as well the Commerce and Peddlers Plaza (revenue of \$500,000 through FY 2027/28). Growth projections for the out years of the Forecast are based on individual lease agreements. Rent revenue is projected to reach \$22.5 million by FY 2033/34.

Other Services Fees

The Other Services Fees category includes fees charged for various City services provided by the departments of Community Development, Police, Fire, Park and Recreation, and Public Works as well as cost allocation plan reimbursements and stadium-related reimbursements. The Fire development-related fees have been moved to a new Fire Development Fund. This category is estimated to generate \$37.7 million in FY 2023/24 and increase to \$48.4 million by FY 2033/34.

Transfers from Other Funds

The Transfers from Other Funds totals \$2.0 million in FY 2023/24 and includes the following: a transfer of \$1.5 million from the Storm Drain Capital Fund to support storm drain operations; a transfer of \$0.3 million from the Electric Utility Fund to support 1.0 position in the Finance Department and 1.0 position in the Human Resources Department added during FY 2022/23 (these positions will be factored into the cost allocation plan starting in FY 2025/26); a transfer of \$0.2 million from the Building Development Services Fund to cover a portion of the Code Enforcement costs that support development activity. In the out years of the Forecast, the transfers total \$1.7 million and include the transfers from the Storm Drain Capital Fund and the Building Development Services Fund.

Silicon Valley Power Transfer

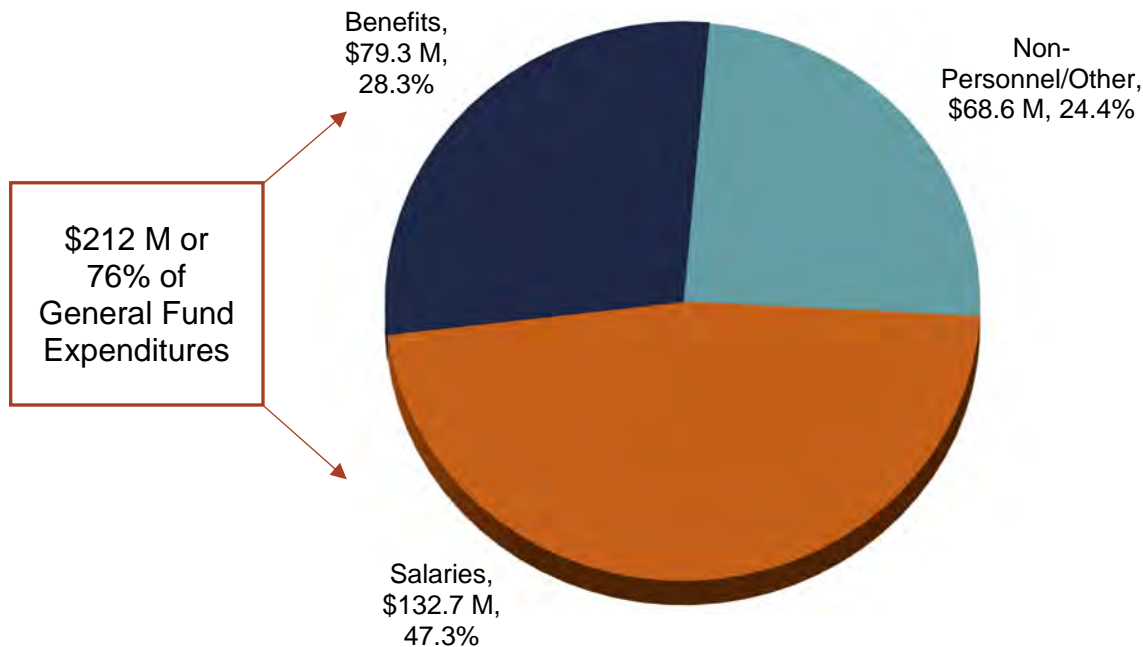
In accordance with the City's charter, Silicon Valley Power pays 5.0% of gross revenues to the General Fund. Contributions are projected to total \$32.0 million in FY 2023/24 and \$34.0 million in FY 2024/25. It is anticipated that revenues will reach \$48.4 million by FY 2033/34, increasing at an annual rate of approximately 4%. Growth in this category is primarily driven by market projections for electric consumption, resources costs, and any rate increases assumed for the Electric Utility.

GENERAL FUND EXPENDITURES

General Fund expenditures are projected to grow from \$280.6 million in FY 2023/24 to \$410.2 million by the end of the forecast period. The FY 2023/24 expenditures are 3% above the FY 2022/23 Adopted Budget of \$272.4 million.

FY 2024-2034 General Fund Expenditures (\$ in millions)											
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$ m	\$ m	\$ m	\$ m	\$ m	\$ m	\$ m	\$ m	\$ m	\$ m	\$ m
Salaries	132.7	139.1	144.8	150.4	155.6	160.9	166.3	171.8	177.4	183.3	189.7
Retirement	55.2	58.6	61.3	63.8	66.9	72.5	75.5	78.0	78.4	80.5	83.0
Other Benefits	24.1	25.3	26.1	27.1	28.1	28.8	29.9	31.0	32.2	33.3	34.3
Sub-Total Labor Costs	\$ 212.0	\$ 223.0	\$ 232.2	\$ 241.3	\$ 250.6	\$ 262.2	\$ 271.7	\$ 280.8	\$ 288.0	\$ 297.1	\$ 307.0
Materials, Services, Supplies	34.7	36.0	38.0	40.4	41.6	44.2	45.4	48.1	49.4	52.2	54.1
Interfund Services	28.1	28.7	30.8	31.6	32.5	33.5	34.5	35.5	36.5	37.6	38.8
Loans and Transfers	5.8	6.1	7.2	7.5	8.0	8.4	8.9	9.5	9.4	9.5	10.3
Sub-total Other Costs	\$ 68.6	\$ 70.8	\$ 76.0	\$ 79.5	\$ 82.1	\$ 86.1	\$ 88.8	\$ 93.1	\$ 95.3	\$ 99.3	\$ 103.2
Total Uses	\$ 280.6	\$ 293.8	\$ 308.2	\$ 320.8	\$ 332.7	\$ 348.3	\$ 360.5	\$ 373.9	\$ 383.3	\$ 396.4	\$ 410.2
% Change from Prior Yr		4.7%	4.9%	4.1%	3.7%	4.7%	3.5%	3.7%	2.5%	3.4%	3.5%

FY 2023/24 General Fund Expenditures by Type (\$280.6 million)



Labor Costs

Labor costs, which include salary, retirement and other benefit costs, are projected at \$212.0 million in FY 2023/24. These costs are derived from a position-level analysis of City staffing, including actual salary and benefit information, negotiated salary and benefit adjustments for bargaining groups that have current Memorandums of Understanding with the City, projected adjustments for the out years of the forecast, and retirement information from the California Public Employees Retirement System (CalPERS) and the City's actuary.

Over the Forecast period, these costs are projected to increase an average of 3.8% annually and reach \$307.0 million by FY 2033/34.

Retirement Costs

Retirement costs represent one of the largest components of labor costs. The City contributes to CalPERS, which provides a defined benefit plan for participating public entities within the State of California. CalPERS offers a menu of benefit provisions that are established by State statutes within the Public Employee Retirement Law. The City selected its benefit provisions from the benefit menu by contract with CalPERS and adopted those benefits through local ordinance, following negotiations with employee bargaining groups.

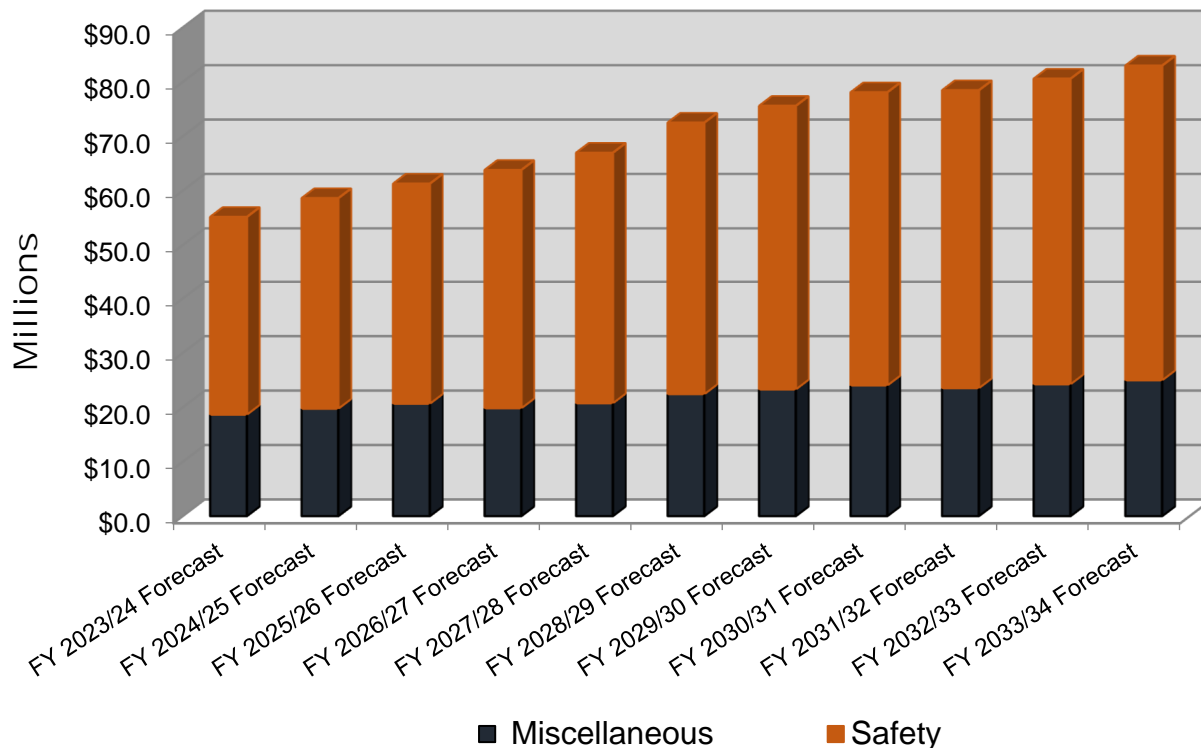
CalPERS retirement costs rose sharply over the past decade as a result of the market losses in the early 2000s followed by benefit enhancements in the mid-2000s. In FY 2011/12, General Fund pension costs

were \$18.9 million; by FY 2023/24, pension costs are projected to be \$55.2 million. Retirement costs are expected to continue to rise with increases in salaries, downward revisions to investment return assumptions, adjustments to account for investment losses, and other demographic assumption changes. By the end of the Forecast period, PERS expenditures are projected to reach \$83.0 million and will account for an estimated 20% of General Fund expenditures.

On December 21, 2016, the CalPERS Board approved lowering the investment earnings assumption (discount rate) downward from 7.5% to 7.0% over a three-year period. This change increased rates beginning in Fiscal Year 2018/19, with the full impact to be realized in FY 2025/26. In February 2018, the CalPERS Board approved shortening the period over which actuarial gains and losses are amortized from 30 years to 20 years for new pension liabilities. This policy became effective as of the June 30, 2019 CalPERS actuarial valuations. On November 21, 2021, the board adopted new actuarial assumptions that impact the required contributions for FY 2023/24. This included lowering the discount rate to 6.8%. Additional actions will likely be implemented in the future as part of a risk mitigation strategy to move to more conservative estimates over time to reduce volatility, including additional downward revisions to the discount rate.

Year-by-year pension rate projections are shown below. These projections incorporate rates provided by CalPERS for FY 2023/24. In the remaining years of the Forecast, the retirement costs are based on rates provided by the City's actuary.

General Fund PERS Costs



Materials, Services and Supplies

The materials, services and supplies estimate for FY 2023/24 is \$34.7 million, which is above the FY 2022/23 Adopted Budget level of \$31.0 million and reflects anticipated increases in costs as well as those that occur every other year, such as election costs. Expenditures are projected to reach \$54.1 million by FY 2033/34.

Interfund Services

Interfund services include the General Fund contribution to several internal service funds, including Communications Acquisitions, Fleet Operations, Information Technology Services, Special Liability Insurance, Unemployment Insurance, Vehicle Replacement, and Workers' Compensation. In FY 2023/24, these costs are estimated at \$28.1 million and increase to \$38.8 million by FY 2033/34. These estimates are based on an evaluation of the activity levels in each internal service fund.

Loans and Transfers

This category includes debt service payments; transfers to the Cemetery Fund, Solid Waste Fund, Parks and Recreation Operating Grant Trust Fund (Senior Nutrition) and Sports and Open Space Authority Fund to ensure sufficient funding is available to provide services or meet obligations; transfers to capital funds for Public Works Capital Project Management; and the City's required contributions to Downtown Parking Maintenance District and Convention Center Maintenance District. These costs are estimated at \$5.8 million in FY 2023/24 and total \$10.3 million in FY 2033/34.

RESERVES

Reserves have generally been established with one-time funds and, with the exception of funding set aside in the Technology Reserves to maintain 100% cost recovery, are not reflected in the Forecast figures. Reserves, however, are an important component of the budget. Following is a discussion of the major General Fund Reserves.

Budget Stabilization Reserve: During FY 1985/86, the City Council established a policy regarding use of the City's General Contingency Reserve funds. Under that policy, two separate reserves were established, a Budget Stabilization Reserve (BSR) and a Capital Projects Reserve. The BSR is set aside to protect vital General Fund services through economic downturns, emergency financial crisis, or disaster situations. The reserve target is equal to the expenditures of the City's General Fund operations for three months (90-days or 25% of budgeted appropriations). When the FY 2022/23 and FY 2023/24 Operating Budget was adopted, the City Council approved an exception to the 25% BSR target level to address the impacts associated with COVID-19, allowing the reserve to drop to 15% of expenditures. The draft Budget Principles for FY 2023/24 would also allow the Reserve level to continue to be set at a minimum of 15% of expenditures while the City continues to financially recover. The BSR reserve level currently totals \$40.8 million. To meet the 15% reserve target, the reserve will need to be increased to an estimated \$44 million by FY 2024/25. It is anticipated that excess revenues and expenditure savings from FY 2022/23 will be available to increase the BSR to meet the 15% target level.

Capital Projects Reserve: This reserve is set aside to fund the portion of the City's Capital Improvement Program (CIP) that has no other funding sources to support it. The projects funded from this critical reserve provide basic City infrastructure and quality facilities. The Council adopted a policy in FY 1996/97 to maintain a minimum of \$5.0 million in the Capital Projects Reserve. The Capital Projects Reserve currently totals \$6.6 million.

Land Sale Reserve: This reserve sets aside proceeds from land sales to be used for land-related purposes or other General Fund needs as determined by the City Council. This reserve currently totals \$18.5 million.

Pension Stabilization Reserves: These reserves in the General Fund and other City funds have targeted contributions that would fund 1% of the City's unfunded pension liability annually to address the City's pension unfunded accrued liability. For the General Fund, this reserve currently totals \$21.4 million.

FY 2023/24 BUDGET PRINCIPLES

Below are FY 2023/24 Budget Principles that provide a framework for the budget process.

Draft Budget Principles for 2023/24

1. Make decisions within the context of the City's Code of Ethics and Values, especially being Fiscally Responsible, Communicative, and Service-Oriented.
2. Consider budget decisions with long-term implications taking into account data from the Ten-Year Financial Forecast.
3. To the extent possible, align ongoing expenditures with ongoing revenues to avoid negative impacts on future budgets and maintain the City's high financial management standards.
4. When addressing General Fund shortfalls, use a combination of ongoing and one-time solutions to balance the competing goals of aligning ongoing revenues and expenditures and minimizing the service delivery impacts to the community.
5. Continue cost control measures until the ongoing General Fund revenues and expenditures are in alignment.
6. Approve an exception to the Council Policy that dictates setting the General Fund Budget Stabilization Reserve at or above 25% of adopted budget expenditures; set the Reserve level at a minimum of 15% of expenditures.
7. Focus on projects and services that benefit the community as a whole.
8. Pursue economic development objectives and strategies to foster new public and private investment within Santa Clara, and to create employment opportunities.
9. Balance between compensation adjustments to retain and attract employees and funding for positions.
10. Use one-time unrestricted revenues (e.g., annual General Fund surplus) for one-time uses such as increasing reserves, funding capital or Information Technology projects, paying off debt, and/or paying off unfunded pension or other post-employment benefits liabilities.
11. Inform and communicate clearly and broadly to residents, businesses and employees regarding the City's fiscal position and budget; schedule hearings to promote active participation in the City Council's budget deliberations.
12. With limited exceptions, establish fees based on full cost recovery where individuals/businesses rather than the community at-large are benefitting from City services. This preserves limited unrestricted resources for providing services that benefit the community as a whole.
13. Focus on business process redesign in order to improve employee productivity and the quality, flexibility, and cost-effectiveness of service delivery (e.g., streamlining, simplifying, reorganizing functions, and reallocating resources).
14. Explore expanding existing revenue sources and/or adding new revenue sources.
15. Engage employees to contribute new and innovative ideas during the department budget development process.
16. Use the General Plan as a primary long-term fiscal planning tool and link ability to provide City services to development policy decisions.

CONCLUSION

The Forecast provides policy makers, the public, and City staff an updated assessment of the City's financial condition that considers the latest projections of economic conditions. It serves as a starting point in the budget development process by providing the necessary context for making budget decisions. The Forecast also identifies known risk factors and vulnerabilities, and it provides a foundation for evaluating priorities and understanding trade-offs moving forward.

The City's financial condition has improved since the release of the last forecast, but a General Fund deficit remains. A shortfall of \$8.0 million - \$8.9 million is projected for FY 2023/24 and FY 2024/25. By the end of the Forecast period, revenues are projected at \$402.7 million while expenditures are estimated at \$410.2 million, resulting in a deficit of \$7.5 million. When put into context of the size of the General Fund budget, the shortfall in FY 2023/24 is 2.8% of General Fund expenditures. In the out years of the Forecast, the annual margins are relatively narrow, ranging from 1.8% to 4.3% of the projected annual expenditure budget. The Adopted FY 2021/22 and FY 2022/23 Biennial Operating Budget included a budget balancing strategy that relied on a combination of expenditure reductions, revenue solutions, and use of reserves. The use of ongoing and one-time solutions balanced the competing goals of aligning ongoing revenues and expenditures and minimizing the service delivery impacts to the community. This also allowed for time to evaluate the post COVID-19 recovery and for conditions to improve. A combination of budget balancing actions is again expected to be brought forward in the FY 2023/24 and FY 2024/25 Biennial Operating Budget that will be adopted in June 2023.

In addition to the projected General Fund shortfall identified in this Forecast, there are elements of the City's budget that are not included in the Forecast as they have been funded pay-as-you-go with one-time sources. These include the costs to fund capital improvements that rely on General Fund funding, address unmet/deferred infrastructure needs, fully fund public safety equipment replacement, and make additional contributions to reserves. The Forecast also does not incorporate the financial impacts of new developments that may have a positive impact given the uncertainty regarding the timing. This Forecast serves as a strategic planning tool to meet the City's long-term goal to plan for additional fiscal capacity and bring forward sustainable funding strategies to address these unmet cost elements. This may include new and/or revised revenue options in the future.

Statements of Sources and Uses of Funds

This page is intentionally left blank.

General Fund

This page is intentionally left blank.

GENERAL FUND

The General Fund is the primary fund of the City that is used to account for all revenues and expenses that are not restricted by law or policy to be accounted for in another fund. The General Fund supports many of the most visible and essential City services including libraries, parks, police, and fire protection. The General Fund also includes many departments that provide central services including the City Manager, City Attorney, City Clerk, Mayor and City Council, Finance, and Human Resources offices and departments.

General Fund Sources

General Fund sources total \$385.1 million in the Proposed FY 2023/24 budget and consist of \$110.8 million in fund balance estimated to be carried over from FY 2022/23, \$272.1 million in revenue, and \$2.2 million in transfers from other funds. The total sources are down \$3.1 million from the FY 2022/23 amended budget. This change reflects a decline in the beginning fund balance (\$28.4 million) and an increase in revenues and transfers (\$25.3 million). The drop in the beginning fund balance is primarily due to the use of unrestricted fund balance resulting from the close out of FY 2021/22 and use of the Budget Stabilization Reserve and the Land Sale Reserve as part of the FY 2022/23 budget balancing. The growth in revenues primarily reflect increases in Property Tax, Transient Occupancy Tax and the SVP Transfer. As part of the budget process, estimates are developed for each line item, taking into consideration activity projections, historical trends, and the economic environment.

The table below summarizes the projected sources of General Fund revenues and transfers in this budget.

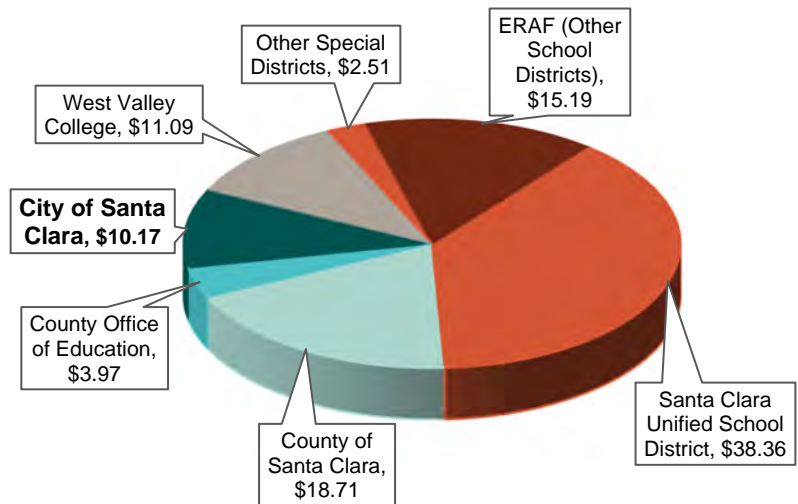
Funding Source	FY 2021/22 Actual	FY 2022/23 Amended	FY 2022/23 Estimate	FY 2023/24 Proposed	FY 2024/25 Change	FY 2024/25 Proposed
Property Tax	74,630,557	75,261,000	81,635,000	85,800,000	3,745,000	89,545,000
Sales Tax	56,901,656	60,173,000	60,173,000	60,524,000	1,828,000	62,352,000
Transient Occupancy Tax	10,812,400	12,600,000	12,600,000	21,275,000	2,375,000	23,650,000
Franchise Tax	4,632,522	4,780,000	4,780,000	5,150,000	150,000	5,300,000
Documentary Transfer Tax	2,356,076	1,480,000	1,480,000	1,600,000	32,000	1,632,000
Licenses and Permits	4,738,855	3,855,000	3,500,000	8,594,000	212,000	8,806,000
Rents and Leases	9,763,118	11,336,766	11,336,766	13,627,660	1,522,609	15,150,269
Other Services Fees	36,375,116	38,603,245	38,603,245	38,067,896	1,185,522	39,253,418
State/Other Agencies	2,996,605	310,000	310,000	520,000	0	520,000
Fines and Penalties	431,099	1,615,000	600,000	1,225,000	5,000	1,230,000
Interest	827,866	2,532,000	2,532,000	3,500,000	208,000	3,708,000
SVP Transfer	27,259,168	26,170,000	26,170,000	32,000,000	2,000,000	34,000,000
Other Revenue	815,529	189,099	189,099	180,000	0	180,000
Revenue Subtotal	232,540,567	238,905,110	243,909,110	272,063,556	13,263,131	285,326,687
Transfers From	9,642,979	10,015,948	10,015,948	2,200,044	(184,750)	2,015,294
Total Revenues/ Transfers	242,183,546	248,921,058	253,925,058	274,263,600	13,078,381	287,341,981

The largest economically sensitive revenue categories (property tax, sales tax, and transient occupancy tax) account for approximately 60% of General Fund revenues. Following is a discussion of these categories as well as other major General Fund revenue categories.

Property Tax

Property tax is the largest revenue source for the City, representing approximately 30% of revenues. Under Proposition 13, the assessed valuation of properties held by the same owner from year to year is adjusted each year by the lesser of 2.0% or the percent change in the annual California Consumer Price Index (CCPI). For FY 2023/24, the adjustment factor based on CCPI is 2.0%. Beyond the inflation adjustment, growth in property tax receipts is driven by reassessments upon the sale of properties and new construction projects being added to the tax rolls. Overall, property tax revenue is expected to continue its solid growth with projected receipts \$85.8 million in FY 2023/24, and \$89.5 million in FY 2024/25.

Property Tax Distribution per \$100 Collected



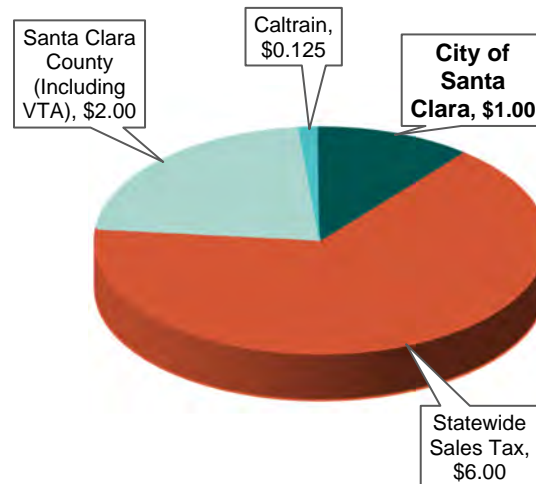
Secured property tax receipts are projected to total \$82.9 million, an increase of 4.9% from the FY 2022/23 year-end estimate of \$79 million. The category includes general secured property tax (tax on real property that includes the land and the improvements attached to it, such as a home or building) along with supplemental property tax (retroactive collections back to the point of sale for reassessments of value due to property resale), residual Redevelopment Agency receipts, and excess Educational Revenue Augmentation Fund (ERAF) funds (under Proposition 98, a portion of property tax receipts are allocated to the ERAF and once there are sufficient funds in ERAF to fulfill the obligation to the school districts, excess funds are returned to the taxing entities). General secured property tax for FY 2023/24 is based on the assessed value as of January 1, 2023. Assessed valuation growth on secured property is projected at 6.0% in FY 2023/24 and reflects 2.0% annual inflation, growth due to property sales, and an allowance for new construction projects. In FY 2024/25, secured property tax receipts are estimated at \$86.6 million.

Unsecured property tax is assessed on personal property that is tangible or moveable and is not attached to real estate (e.g., office equipment, planes, boats). Unsecured property tax receipts are projected to total \$2.9 million in FY 2023/24 and FY 2024/25.

Sales Tax

Sales tax is the General Fund's second largest revenue. The City's current sales tax rate is 9.125%, of which the City of Santa Clara receives 1%. Santa Clara's sales tax collections are directly influenced by local, regional, national, and international economic and business cycles and are therefore one of the most volatile General Fund revenues. These collections, which were impacted by COVID-19, are expected to experience modest growth in FY 2023/24 and FY 2024/25. Sales tax receipts are estimated at \$60.5 million in FY 2023/24 and grow 3% in FY 2024/25 to \$62.4 million.

Sales Tax Distribution per \$100 Collected



Transient Occupancy Tax

Transient Occupancy Tax (TOT) is calculated as a percentage of City hotel/motel room charges. The City's current TOT rate is 11.5%. This rate increased from 9.5% to 11.5% effective January 1, 2022 as approved by the City Council on October 19, 2021. This implemented one-half of the up to four percentage point increase approved by the voters in November 2020. As with sales tax, TOT is sensitive to business cycles and can vary greatly from year to year based on occupancy levels and room rates. Prior to COVID-19, this category had experienced tremendous growth. With the COVID-19 safety restrictions, TOT receipts plummeted at the end of FY 2019/20 and through FY 2020/21. Collections began improving in FY 2021/22 and continue to experience strong growth in FY 2022/23 but remain below pre-COVID levels.

The FY 2023/24 and FY 2024/25 Proposed Budget assumes a phase-in of the remaining rate increase approved by the voters in 2021 as well as continued recovery in this category. In FY 2023/24, TOT receipts are estimated at \$21.3 million, and includes an additional \$850,000 from a one percentage point increase in the TOT rate assumed in January 2024. In 2024/25, the revenue estimate increases to \$23.7 million and includes \$1.7 million from the full year of the one percentage point increase. The remaining one percentage point increase is expected to be implemented in January 2026.

Franchise Tax and Documentary Transfer Tax

The Franchise Tax revenues are projected at \$5.15 million in FY 2023/24 and increase 3% to \$5.3 million in FY 2024/25. The Documentary Transfer Tax, which is imposed on the transfer of the title of real property, is projected at \$1.6 million in FY 2023/24 and increase 2% to \$1.63 million in FY 2024/25.

Licenses and Permits

Licenses and Permits are projected to total \$8.6 million in FY 2023/24, including business licenses taxes at \$6.0 million, fire permits at \$2.0 million, parking permit at \$525,000, and encroachment and miscellaneous permits at \$69,000. This reflects the voter-approved change to the Business License Tax effective July 1, 2023 that updated the structure of the business tax and increased the amount of revenue expected to be generated. The Business License Tax can be increased annually by the Consumer Price Index with a maximum of 5% annually. In FY 2024/25, revenues in this category are projected to increase to \$8.8 million.

Rents and Leases

The Rents category includes property rents and leases as well as right-of-way rental fees charged to the water sewer and utilities. In FY 2023/24, rent revenue is estimated to total \$13.6 million, including \$8.2 million from property rents and leases and \$5.4 million from right-of-way rental fees. This category factors in projected lease revenue from the Related project (increasing from \$761,000 to \$5.2 million) as well the Commerce and Peddlers Plaza (revenue of \$500,000 through FY 2027/28). This category also factors in additional rental income of \$200,000 from sports fields reservations. In FY 2024/25, Rents revenue is projected to reach \$15.2 million.

Other Services Fees

The Other Services Fees category includes fees charged for various City services provided by the departments of Community Development, Police, Fire, Park and Recreation, and Public Works as well as cost allocation plan reimbursements and stadium-related reimbursements. The Fire development-related fees have been moved to a new Fire Development Fund. This category is estimated to generate \$38.1 million in FY 2023/24. This includes an additional \$348,000 from fee adjustments brought forward in the FY 2023/24 Municipal Fee Schedule. In FY 2024/25, revenues in this category are projected to reach \$39.3 million.

Silicon Valley Power Transfer

In accordance with the City's charter, Silicon Valley Power pays 5.0% of gross revenues to the General Fund. Contributions are projected to total \$32.0 million in FY 2023/24 and \$34.0 million in FY 2024/25. Growth in this category is primarily driven by market projections for electric consumption, resources costs, and any rate increases assumed for the Electric Utility.

Transfers From

The Transfers from Other Funds totals \$2.2 million in FY 2023/24 and includes the following: a transfer of \$1.454 million from the Storm Drain Capital Fund to support storm drain operations; a transfer of \$349,749 from the Electric Utility Fund to support 1.0 position in the Finance Department and 1.0 position in the Human Resources Department added during FY 2022/23 (these positions will be factored into the cost allocation plan starting in FY 2025/26); a transfer of \$175,725 from the Building Development Services Fund to cover a portion of the Code Enforcement costs that support development activity; a one-time transfer of \$149,600 from the Vehicle Replacement Fund to reflect the sale of vehicles that are being removed from the fleet (FY 2023/24 budget proposal), and a transfer of \$69,205 from the Patrick Henry Drive Infrastructure Improvement Fund to repay the Capital Projects Reserve for funding expected to be advanced in FY 2022/23 to cover administrative costs. In FY 2024/25, the transfers total \$2.0 million and include the transfers from the Storm Drain Capital Fund, the Electric Utility Fund, and the Building Development Services Fund.

General Fund Uses

Overall, General Fund uses total \$385.1 million in FY 2023/24. Of this amount, \$269.1 million accounts for operational expenditures, \$11.6 million are transfers to other funds, and \$104.3 million represent fund balance and reserves. The total General Fund uses increase to \$391.7 million in FY 2024/25, due to an increase in operational expenditures. The following table summarizes the General Fund expenditures and transfers.

The following table summarizes the General Fund expenditures and transfers.

Expenditures	FY 2021/22 Actual	FY 2022/23 Amended	FY 2022/23 Estimate	FY 2023/24 Proposed	FY 2024/25 Change	FY 2024/25 Proposed
Salaries	94,846,522	132,378,106	132,378,106	128,502,867	4,380,764	132,883,631
Retirement – Safety	32,084,531	36,514,227	36,514,227	36,479,753	2,355,085	38,834,838
Retirement – Misc.	17,489,354	19,616,011	19,616,011	18,576,594	1,094,753	19,671,347
Other Benefits	17,033,746	20,572,469	20,572,469	24,039,179	1,065,153	25,104,332
Materials/Services/ Supplies	24,850,597	33,361,857	33,361,857	34,094,413	1,055,392	35,149,805
Interfund Services	22,857,269	24,877,371	24,877,371	27,435,591	621,552	28,057,143
Capital Outlay	63,339	321,900	321,900	0	37,000	37,000
Total Expenditures	209,225,358	267,641,941	267,641,941	269,128,397	10,609,699	279,738,096
Transfers To*	48,969,098	14,658,172	14,727,377	11,645,161	(3,924,289)	7,720,872
Total Expenditures and Transfers To	258,194,456	282,300,113	282,369,318	280,773,558	6,685,410	287,458,968

* In FY 2021/22, the Transfers Out category includes a one-time transfer of the Building Inspection Reserve to the newly established Building Development Services Fund.

As a public service organization focused on delivering high-quality services to our community, labor costs reflect the highest level of investment at 74% of the expenditure budget. Following is a discussion of the General Fund expenditure categories.

Salaries and Benefits

The expenditures in this category account for full-time and part-time salaries, retirement, health, social security, other employer benefits, and overtime costs. The FY 2023/24 Proposed Budget factors in the latest negotiated salary adjustments known at the time the budget was developed and updated retirement and benefit costs. Salaries and benefits total \$207.6 million in the FY 2023/24 Proposed Budget and increase 4.3% in FY 2024/25 to \$216.5 million. Note that \$26.2 million in public safety costs were shifted to the American Rescue Plan Act Fund in FY 2021/22 to account for the one-time federal stimulus funds received to help offset the COVID-19 impacts on the City 's budget.

The City of Santa Clara participates in the California Public Employees' Retirement System (CalPERS) under the Miscellaneous Retirement Plan and the Safety Retirement Plan. In FY 2023/24, retirement costs in the General Fund are budgeted at \$36.5 million for Safety employees and \$18.6 million for Miscellaneous employees. In FY 2024/25, these costs increase to \$38.8 million and \$19.7 million, respectively.

Materials, Services, and Supplies

The FY 2023/24 Proposed Budget totals \$34.1 million for materials, services, and supplies. This budget reflects Base Budget adjustments to account for the updated cost of providing existing services in FY 2023/24, the removal of one-time funding approved for FY 2022/23, and the FY 2023/24 budget actions proposed in the FY 2023/24 and FY 2024/25 Biennial Operating Budget. The Proposed Budget does not yet reflect any carryovers from FY 2022/23 to FY 2023/24. In FY 2024/25, these costs are projected to increase 3.1% to \$35.1 million.

Interfund Services

Interfund services are citywide in nature and funded through internal service funds (Information Technology Department services, special liability fund, workers' compensation, Public Works capital project management, vehicle equipment and maintenance, fleet purchases, and communications equipment) that are apportioned to City Departments and funds. This category totals \$27.4 million in the FY 2023/24 and \$28.1 million in FY 2024/25.

Capital Outlay

This category includes small capital expense purchases not budgeted within the capital budget. This category has no budget in FY 2023/24 and \$37,000 in FY 2024/25.

Transfers to Other Funds

This category includes transfers to other funds to support capital projects, the City's share of assessment district costs, other services, and debt payments. The FY 2023/24 Proposed Budget for this category totals \$11.6 million, including \$7.3 million for capital projects, \$1.4 million for debt payments, \$0.9 million for assessment district payments, \$0.8 million for the Cemetery Fund (this reflects a decrease from the previously assumed transfer level as a proposed budget balancing strategy), \$0.6 million to the Fire Operating Grant Trust Fund to pay for a portion of the positions funded by the Fire SAFER grant (the SAFER grant generates net General Fund savings due to Fire overtime savings), \$0.5 million to the new Fire Development Services Fund (this is offset by the Development Fee Reserve), and \$0.1 million for other services.

The Transfers figure drops to \$7.7 million in FY 2024/25 and includes \$3.7 million for capital projects, \$1.4 million for debt payments, \$0.9 million for assessments district payments, \$0.8 million for the Cemetery Fund, \$0.8 million to the Fire Operating Grant Trust Fund, and \$0.1 million for other services.

General Fund Reserves

The General Fund includes several reserves established by City Council policy or to segregate restricted revenues. Additional detail regarding reserve policies can be found in the Budget and Fiscal Policies section of this document.

Budget Stabilization Reserve

This reserve is used as an allocation for weathering economic downturns, emergency financial crises or disaster situations. Per Council policy, the Budget Stabilization Reserve (BSR) target is equal to the cost of the City's General Fund operations for three months, or 25% of the expenditure budget. Given the significant impacts of COVID-19 on the City's budget, the City Council adopted the FY 2022/23 budget principles that allowed this

reserve to drop to 15% of budgeted expenditures. The FY 2023/24 proposed budget principles would also allow the BSR to remain at a minimum of 15% given the City's continuing fiscal challenges. In the Proposed Budget, the BSR is set at \$45.8 million in FY 2023/24 (16.3% of expenditures) and FY 2024/25 (15.9% of expenditures).

Capital Projects Reserve

The Capital Projects Reserve (CPR) earmarks funds for the Capital Improvement Program (CIP). The minimum target for this reserve is \$5.0 million. This reserve has a projected ending balance of \$6.1 million in FY 2023/24 and FY 2024/25. The use of \$463,050 from the Capital Projects Reserve is recommended for the Street Tree Services project to fund the third and final year of the Modesto Ash tree removals plan.

Land Sale Reserve

The City Council established the Land Sale Reserve with net proceeds from the sale of City-owned land, with interest earned on these funds being available to be appropriated for General Fund operating expenditures. The Land Sale Reserve has a projected ending balance of \$18.5 million for FY 2023/24 and FY 2024/25 and is available for appropriation by City Council action. This reserve balance reflects the full repayment of the loan for the Reed Street- Grant Street Sports Park Project (\$5.6 million) in FY 2022/23.

Advanced Planning Fee Reserve

The advanced planning fee is collected as a portion of planning and building fees. These funds are set aside for future long-range planning activities. The Advanced Planning Reserve has a projected ending balance of \$2.6 million in FY 2023/24 and \$2.4 million in FY 2024/25. This reflects the funding of 1.0 Senior Planner from this reserve beginning in FY 2023/24.

Technology Fee Reserve

The Technology Fee Reserve sets aside the technology fee revenue collected with the development fees and other applicable fees. This reserve is used to fund Accela licensing costs and other technology improvements for the fee programs that assess this fee. The Technology Fee Reserve has a projected ending balance of \$1.9 million for FY 2023/24 and FY 2024/25.

Other Reserves

By Council Policy, other reserves are set aside in the General Fund including the Pension Stabilization and Historical Preservation Reserves. For FY 2023/24 and FY 2024/25, the Pension Stabilization Reserve is projected to total \$21.4 million and the Historical Preservation Reserve is projected to total \$92,754. Contributions to the Pension Stabilization Reserve are typically recommended as part of the Year-End Report to allocate interest earnings and other funding, if available. No additional contributions are assumed as part of this Biennial Budget. The Proposed Budget also includes a Development Fee Reserve (\$1.5 million in FY 2023/24 and FY 2024/25) that was established in FY 2022/23 to transition new development funds. In FY 2023/24, \$500,000 of this reserve is used to support the new Fire Development Services Fund. A Budget Balancing Reserve was also established at the \$2.0 million level in FY 2022/23; this reserve totals \$0.9 million in FY 2023/24 (\$1.1 million was used to balance the budget in FY 2023/24) and \$2.0 million in FY 2024/25.

GENERAL FUND | GENERAL FUND (001)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	4,817,658	4,445,953	4,445,953	4,445,953	4,445,953
Budget Stabilization Reserve	56,805,262	52,878,278	52,878,278	45,847,152	45,847,152
Capital Projects Reserve	5,335,223	6,719,508	6,719,508	6,526,137	6,132,292
Reserve for Programmed Capital Projects	11,038,674	3,151,081	3,151,081	5,284,314	986,657
Development Fee Program Reserve	0	0	0	2,000,000	1,500,000
Building Inspection Reserve	17,939,250	0	0	0	0
Advanced Planning Fee	741,694	2,939,765	2,939,765	2,879,765	2,649,365
Technology Fee Reserve	1,367,900	2,353,804	2,353,804	1,925,791	1,925,791
Land Sale Reserve	24,120,766	23,892,284	23,892,284	18,481,037	18,481,037
Pension Stabilization Reserve	23,978,098	21,367,474	21,367,474	21,367,474	21,367,474
Historical Preservation Reserve	91,402	92,754	92,754	92,754	92,754
FY 2023/24 Budget Balancing Reserve	0	0	0	2,000,000	911,944
Unrestricted	9,069,620	21,453,736	21,453,736	0	0
Total Beginning Fund Balance	155,305,547	139,294,637	139,294,637	110,850,377	104,340,419
Revenue					
Property Taxes - Secured	71,962,716	72,381,000	78,800,000	82,900,000	86,616,000
Property Taxes - Unsecured	2,667,841	2,880,000	2,835,000	2,900,000	2,929,000
Sales Tax	56,030,405	59,400,000	59,400,000	59,600,000	61,400,000
Public Safety Sales Tax	871,251	773,000	773,000	924,000	952,000
Documentary Transfer Tax	2,356,076	1,480,000	1,480,000	1,600,000	1,632,000
Transient Occupancy Tax	10,812,400	12,600,000	12,600,000	21,275,000	23,650,000
Franchise Taxes	4,632,522	4,780,000	4,780,000	5,150,000	5,300,000
Rents	9,763,118	11,336,766	11,336,766	13,627,660	15,150,269
State Revenues	311,585	250,000	250,000	262,000	262,000
Other Agencies Revenues	2,685,020	60,000	60,000	258,000	258,000
Licenses and Permits	4,738,855	3,855,000	3,500,000	8,594,000	8,806,000
Fines and Penalties	431,099	1,615,000	600,000	1,225,000	1,230,000
Other Fees for Services	36,375,116	38,603,245	38,603,245	38,067,896	39,253,418
Interest	827,866	2,532,000	2,532,000	3,500,000	3,708,000
Silicon Valley Power Transfer	27,259,168	26,170,000	26,170,000	32,000,000	34,000,000
Other Revenue	815,529	189,099	189,099	180,000	180,000
Total Revenue	232,540,567	238,905,110	243,909,110	272,063,556	285,326,687
Transfers From					
Building Development Services Fund	163,362	179,036	179,036	175,725	185,793
Building Special Programs and Training Fund	1,750	1,765	1,765	1,765	1,765

GENERAL FUND | GENERAL FUND (001)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Transfers From					
Convention Center Capital Fund	40,000	0	0	0	0
Convention Center Maintenance District Fund	383,097	193,552	193,552	0	0
Electric Utility Fund	1,059,733	1,229,573	1,229,573	349,749	373,736
Fire Department Capital Fund	236	61,054	61,054	0	0
General Government Capital Fund	460	6,915	6,915	0	0
Other City Departments Operating Grant Trust Fund	10,000	101,196	101,196	0	0
Parks and Recreation Capital Fund	3,308,341	5,598,215	5,598,215	0	0
Patrick Henry Drive Infrastructure Improvement Fund	0	0	0	69,205	0
Prefunded Plan Review Fund	13,101	0	0	0	0
Public Buildings Capital Fund	1,002,673	0	0	0	0
Public Works Capital Projects Management Fund	364,739	60,420	60,420	0	0
Storm Drain Capital Fund	2,115,134	1,493,301	1,493,301	1,454,000	1,454,000
Streets and Highways Capital Fund	44,596	130,921	130,921	0	0
Tasman East Infrastructure Improvement Fund	175,757	0	0	0	0
Vehicle Replacement Fund	960,000	960,000	960,000	149,600	0
Total Transfers From	9,642,979	10,015,948	10,015,948	2,200,044	2,015,294
Total Source of Funds	397,489,093	388,215,695	393,219,695	385,113,977	391,682,400
Expenditures					
Salaries	94,846,522	132,378,106	132,378,106	128,502,867	132,883,631
Retirement - Safety	32,084,531	36,514,227	36,514,227	36,479,753	38,834,838
Retirement - Miscellaneous	17,489,354	19,616,011	19,616,011	18,576,594	19,671,347
Other Benefits	17,033,746	20,572,469	20,572,469	24,039,179	25,104,332
Materials/Services/Supplies	24,850,597	33,361,857	33,361,857	34,094,413	35,149,805
Interfund Services	22,857,269	24,877,371	24,877,371	27,435,591	28,057,143
Capital Outlay	63,339	321,900	321,900	0	37,000
Total Expenditures	209,225,358	267,641,941	267,641,941	269,128,397	279,738,096

GENERAL FUND | GENERAL FUND (001)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Transfers To					
Building Development Services Fund	22,347,656	0	0	0	0
Cemetery Fund	850,000	870,000	870,000	796,000	823,000
Cemetery Capital Fund	8,409	9,225	9,225	0	0
Convention Center Maintenance District Fund	771,349	842,700	842,700	805,383	805,383
Downtown Parking Maintenance District Fund	0	0	0	137,030	144,650
Electric Utility Capital Fund	330,000	0	0	0	0
Engineering Operating Grant Trust Fund	55,753	227,611	227,611	0	0
Fire Department Capital Fund	837,110	661,766	661,766	427,374	234,374
Fire Development Services Fund	0	0	0	500,000	0
Fire Operating Grant Trust Fund	63	0	0	626,000	770,000
General Government Capital Fund	720,283	1,769,551	1,769,551	90,283	40,283
Library Department Capital Fund	7,872	281,831	281,831	0	0
Library Operating Grant Trust Fund	156	0	0	0	0
Other City Departments Operating Grant Trust Fund	534,275	0	0	0	0
Parks and Recreation Capital Fund	2,343,117	227,529	227,529	258,941	276,181
Parks and Recreation Operating Grant Trust Fund	3,445	3,445	3,445	27,445	27,445
Patrick Henry Drive Infrastructure Improvement Fund	0	0	69,205	0	0
Police Operating Grant Trust Fund	22,768	38,424	38,424	0	0
Prefunded Plan Review Fund	0	60,000	60,000	0	0
Public Buildings Capital Fund	397,953	1,445,532	1,445,532	1,590,019	180,272
Public Facilities Financing Corporation Fund	2,501,439	1,402,275	1,402,275	1,402,440	1,405,940
Solid Waste Utility Fund	33,600	35,364	35,364	35,364	35,364
Special Liability Insurance Fund	5,200,000	0	0	0	0
Sports and Open Space Authority Fund	0	6,000	6,000	10,000	10,200
Storm Drain Capital Fund	600,411	973,623	973,623	872,414	99,633
Streets and Highways Capital Fund	10,589,129	3,791,464	3,791,464	4,066,468	2,868,147
Tasman East Infrastructure Improvement Fund	0	11,832	11,832	0	0
Vehicle Replacement Fund	814,310	2,000,000	2,000,000	0	0
Total Transfers To	48,969,098	14,658,172	14,727,377	11,645,161	7,720,872



GENERAL FUND | GENERAL FUND (001)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Ending Fund Balance					
Encumbrance Carryover	4,445,953	4,445,953	4,445,953	4,445,953	4,445,953
Budget Stabilization Reserve	52,878,278	40,843,152	45,847,152	45,847,152	45,847,152
Capital Projects Reserve	6,719,508	6,595,342	6,526,137	6,132,292	6,132,292
Reserve for Programmed Capital Projects	3,151,081	5,284,314	5,284,314	986,657	2,000
Development Fee Program Reserve		2,000,000	2,000,000	1,500,000	1,500,000
Advanced Planning Fee	2,939,765	2,879,765	2,879,765	2,649,365	2,401,049
Technology Fee Reserve	2,353,804	1,925,791	1,925,791	1,925,791	1,925,791
Land Sale Reserve	23,892,284	18,481,037	18,481,037	18,481,037	18,481,037
Pension Stabilization Reserve	21,367,474	21,367,474	21,367,474	21,367,474	21,367,474
Historical Preservation Reserve	92,754	92,754	92,754	92,754	92,754
FY 2023/24 Budget Balancing Reserve	0	2,000,000	2,000,000	911,944	2,027,930
Unrestricted	21,453,736	0	0	0	0
Total Ending Fund Balance	139,294,637	105,915,582	110,850,377	104,340,419	104,223,432
Total Use of Funds	397,489,093	388,215,695	393,219,695	385,113,977	391,682,400

This page is intentionally left blank.

Special Revenue Funds and Other Funds

This page is intentionally left blank.

SPECIAL REVENUE FUNDS AND OTHER FUNDS

Special Revenue Funds are established to account for specific revenue sources that are legally restricted or committed to particular purposes. The City of Santa Clara has various revenue sources that require separate Special Revenue Funds to be set up. The Other Funds relate to special assessments funds.

American Rescue Plan Act (ARPA) Fund (102)

The American Rescue Plan Act (ARPA) Fund was established in FY 2021/22 to account for Fire Department and Police Department expenditures that are eligible to be funded via federal ARPA funds. As this was one-time funding, there is no further activity recorded in this fund.

Bridge Maintenance District #2 Fund (463)

The Bridge District #2 Fund sets aside revenue received through the apportionment of secured property tax as well as the RDA revenue distribution. This funding is then transferred to the Streets and Highways Capital Fund to cover costs associated with the Bridge Maintenance Program project.

Building Development Services Fund (155)

The Building Development Services Fund was established in FY 2021/22 to account for building development-related fee revenue and associated building development services costs. The Building-related revenues and expenditures were previously reflected in the General Fund.

Building Special Programs and Training Fund (220)

This fund was formerly the Certified Access Specialist (CASP) Certification and Training Fund but was retitled to incorporate additional changes to the fund starting in FY 2021/22. The fund now incorporates Building Seismic/Strong Motion Fees and Building Standard Fees, in addition to CASp fees. All three revenue streams are related to state-mandated building permit fee surcharges (Building Standard and Seismic) or from the City's business license tax (CASP) and are for specific uses such as updating building code manuals or training related to updates in accessibility designs.

City Affordable Housing Fund (165)

The City Affordable Housing Fund accounts for the City's Below-Market Price Purchase Program, which helps low- and moderate-income families achieve the goal of homeownership. This fund promotes and facilitates the construction and retention of affordable housing, fulfilling State mandates to produce housing for all income levels. Revenues in the City Affordable Housing Fund are received from developer in-lieu fees, principal, and interest repayments on housing loans, as well as interest income on pooled investments.

Community Facilities District No. 2019-1 (Lawrence Station) Fund (027)

A resolution was adopted by Council in March 2019 to form a new Community Facilities District Fund (CFD) to finance maintenance of roadways, parks, parking spaces and enforcement, landscaped parkways and medians, trails, a highway overpass and a community clubhouse and garden to be located within the development at Lawrence Station. In accordance with the resolution, a special tax is levied on the properties located within the CFD. These special taxes will be used to fund the authorized public services. Pursuant to Report to Council 19-249, the Fund will also maintain additional funding necessary to replace facilities near end-of-service life (straight line depreciation of 15 years) in a capital reserve of 20%. The property assessments increase annually by Consumer Price Index (CPI).

Convention Center Maintenance District Fund (026)

This fund provides maintenance and landscaping to the common grounds within the Santa Clara Convention Center Complex. Funds are received by means of a Special Benefits Assessment levied against the property owners in the respective districts. This fund's expenditure budget is determined using fee estimates for cost recovery.

Developer Traffic Payments Fund (124)

Previously named the "Traffic Fair Share Fund," this fund was established in FY 2020/21 and is managed by the Department of Public Works. The Developer Traffic Payments Fund is funded by developer contributions collected for specific jurisdictions and locations. Funding is allotted to non-City agencies for eligible projects or transfers to a capital project.

Downtown Parking Maintenance District Fund (025)

The purpose of the Downtown Parking Maintenance District is to maintain the grounds of the Franklin Square complex. The Franklin Square complex is bounded by Monroe Street to the west, Jackson Street to the east, Benton Street to the north, and Homestead Road to the south. Maintenance of the landscape infrastructure is paid for by the General Fund. Extraordinary repairs to the asphalt parking lot and concrete walkways are funded by property owner assessments that are capped at \$14,200 per year.

Endowment Care Fund (077)

This fund holds the non-expendable account of the fees collected from cemetery patrons. Interest earned from the cash maintained is contributed for the current maintenance of the cemetery.

Engineering Operating Grant Trust Fund (144)

This fund accounts for revenues received from other governmental agencies that are designated for specific uses in the Community Development Department. Grants are appropriated as they are received by the Department and approved by the City Council.

Expendable Trust Fund (079)

The Expendable Trust Fund accounts for assets held in a trustee capacity where the principal and income may be expended in the course of the fund's restricted/designated operations. Funds are appropriated as they are received by departments and approved by the City Council.

Fire Development Services Fund (158)

The Fire Development Services Fund is proposed for FY 2023/24 to account for fire development-related fee revenue and associated fire development services costs. The Fire-related revenues and expenditures were previously reflected in the General Fund.

Fire Operating Grant Trust Fund (178)

This fund tracks revenues from other governmental agencies received by the Fire Department for fire safety and medical services activities. The grants are provided by federal, state and County agencies. Grants are appropriated as they are received by the Fire Department and approved by the City Council.

Gas Tax Fund (121)

The Gas Tax Fund accounts for revenues and expenditures received from the State of California under Street and Highway Code Sections 2105, 2106, and 2107. Gas tax is imposed by the State as a per-gallon excise tax on gasoline and diesel fuel. Cities and counties receive an allocation from the State based on population and the proportion of registered vehicles. This funding is restricted for street maintenance, construction, and a limited amount for engineering.

Housing and Urban Development Fund (562)

The City of Santa Clara receives annual funds from the U.S. Department of Housing and Urban Development (HUD) to administer the Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) programs. The CDBG program funds various nonprofit agencies and other City departments to implement services that benefit low- and moderate-income persons. The HOME program funds a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. Grantees are generally selected through a competitive process and provide such services as senior services, homeless outreach, housing rehabilitation, accessibility improvement and code enforcement. The City currently dedicates HOME funds for the Tenant-Based Rental Assistance (TBRA) program.

Housing Authority Fund (164)

The Santa Clara Housing Authority (SCHA) was established by the City Council to assume responsibility for managing and monitoring housing assets from the dissolution of the Redevelopment Agency (RDA). SCHA also assumes the responsibility for housing loans, which provide affordable housing and were made under various programs, for qualifying individuals and groups. The SCHA receives its main source of revenues from program income, which is used to support loan monitoring, administration, and other programs and projects of the Housing and Community Services Division of the Community Development Department.

Housing Successor Agency Fund (169)

All California Redevelopment Agencies (RDA) were dissolved on February 1, 2012. Following the dissolution, the City of Santa Clara was designated as the Housing Successor to the former RDA, responsible for paying off the former RDA's existing debts, disposing of the former RDA's properties and assets to help pay off debts, returning revenues to the local government entities that receive property taxes and winding down the affairs of the former Redevelopment Agency. The City has also elected to retain the former RDA's housing functions, including retaining all of the housing assets, rights, power, duties, obligations and functions previously performed by the RDA in administering its Low and Moderate Income Housing Fund.

Library Donations Trust Fund (072)

This fund accounts for donations that are received and accepted by the City of Santa Clara's Library Department. These donations are for designated uses. Donations are appropriated as they are received by the Library Department and approved by the City Council.

Library Operating Grant Trust Fund (112)

This fund accounts for revenues received from other governmental agencies that are designated for specific uses in the Library Department. Grants are appropriated as they are received by the Library Department and approved by the City Council.

Other City Departments Operating Grant Trust Fund (101)

The Other City Departments Operating Grant Trust Fund accounts for any financial award given by the federal, State, or other local government to the City for Citywide eligible operating programs. Grants that are designated for department-specific functions are deposited into the respective departments' operating grant trust fund. Grants are appropriated as they are received by departments and approved by the City Council.

Parks and Recreation Operating Grant Trust Fund (111)

The Senior Nutrition Program provides a congregate meal setting where seniors can improve their health through balanced meals and socialization and is funded through a grant from the Santa Clara County Social Services Agency's Senior Nutrition Program and Community Development Block Grant funds. Seniors are encouraged to access the many services available at the Senior Center while on site and are given the opportunity to engage in Health & Wellness programs at the Senior Center. Grants are appropriated as they are received by the Parks and Recreation Department and approved by the City Council.

Perpetual Care Fund (076)

This fund accounts for current fees collected from cemetery patrons for maintenance in perpetuity of the Mission City Memorial Park when the facility reaches full capacity. Interest earned from the cash maintained is contributed for the current maintenance of the cemetery.

Police Operating Grant Trust Fund (177)

This fund tracks revenues from other governmental agencies received by the Police Department for law enforcement activities. The grants are predominantly provided by the State with a smaller portion received from the federal government. Grants are appropriated as they are received by the Police Department and approved by the City Council.

Prefunded Plan Review Fund (157)

Before any major real estate development project moves forward to construction, extensive studies are conducted (environmental, economic, and traffic) to ensure that the project's impact on the community is well understood. The cost of these studies is generally paid for by developers with the funding provided to cities to ensure proper oversight of this process. This fund, established in FY 2020/21, accounts for this activity.

Public Donations Fund (067)

The Public Donations Fund accounts for various donations the City receives from the public that are designated for specific uses. Per the City's Donation Policy, the City Manager is authorized to make funding available to departments for donations valued under \$100,000. Donations of \$100,000 or greater are appropriated as they are received by departments and approved by the City Council.

Public, Educational, and Governmental Fee Fund (221)

This fund accounts for the Public, Educational, and Governmental (PEG) fees the City receives from telecommunication companies in accordance with the Cable Communications Act of 1984 and the Digital Infrastructure and Video Competition Act of 2006. PEG channels broadcast public meetings, news conferences and educational programming about City departments and programs as well as government-sponsored community events. PEG fees can be used for capital-related expenses including video production and streaming equipment as well as television monitoring technology and technical support. These funds can also be used for the renovation and construction of facilities such as Council chambers, public meeting rooms and recording spaces.

Road Maintenance and Rehabilitation (SB1) Fund (122)

The Road Repair and Accountability Act of 2017 (Senate Bill 1) is a significant investment in California's transportation system which was signed into law on April 28, 2017. The funding from this investment must be used to fix roads, freeways, and bridges in communities across California, putting more dollars towards transit and safety. The majority of this revenue is from the Road Maintenance and Rehabilitation Account (RMRA), where cities have to prioritize repairing their existing infrastructure before addressing other transportation needs.

Traffic Mitigation Fund (123)

The Traffic Mitigation Fee is levied to fund improvements or programs to mitigate the City's traffic problems that result from development projects.

The following section details the City of Santa Clara's Special Revenue Funds and Other Funds' Statements of Sources and Uses and the Proposed Budget for Fiscal Year 2023/24 and Fiscal Year 2024/25.



SPECIAL REVENUE FUNDS | AMERICAN RESCUE PLAN ACT (ARPA) FUND (102)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Unrestricted	0	0	0	0	0
Total Beginning Fund Balance	0	0	0	0	0
Revenue					
Other Revenue	26,231,326	0	0	0	0
Total Revenue	26,231,326	0	0	0	0
Total Source of Funds	26,231,326	0	0	0	0
Expenditures					
<i>Fire</i>					
Salaries	11,314,440	0	0	0	0
<i>Police</i>					
Salaries	14,916,886	0	0	0	0
Total Expenditures	26,231,326	0	0	0	0
Ending Fund Balance					
Unrestricted	0	0	0	0	0
Total Ending Fund Balance	0	0	0	0	0
Total Use of Funds	26,231,326	0	0	0	0

SPECIAL REVENUE FUNDS | BRIDGE MAINTENANCE DISTRICT #2 FUND (463)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Unrestricted	132,965	148,017	148,017	148,017	148,017
Total Beginning Fund Balance	132,965	148,017	148,017	148,017	148,017
Revenue					
Taxes - Ad Valorem	94,729	80,000	80,000	80,000	80,000
Other Agencies Revenue	323	0	0	0	0
Total Revenue	95,052	80,000	80,000	80,000	80,000
Total Source of Funds	228,017	228,017	228,017	228,017	228,017
Transfers To					
Streets and Highways Capital Fund	80,000	80,000	80,000	80,000	80,000
Total Transfers To	80,000	80,000	80,000	80,000	80,000
Ending Fund Balance					
Unrestricted	148,017	148,017	148,017	148,017	148,017
Total Ending Fund Balance	148,017	148,017	148,017	148,017	148,017
Total Use of Funds	228,017	228,017	228,017	228,017	228,017

SPECIAL REVENUE FUNDS | BUILDING DEVELOPMENT SERVICES FUND (155)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	0	1,608,625	1,608,625	1,608,625	1,608,625
Unrestricted	(2,156)	27,357,189	27,357,189	25,207,035	26,943,981
Total Beginning Fund Balance	(2,156)	28,965,814	28,965,814	26,815,660	28,552,606
Revenue					
License Permit	10,818,884	8,198,000	8,250,000	8,790,000	9,098,000
Other Fees for Services	7,181,833	5,175,000	5,175,000	6,321,000	6,542,000
Other Revenue	2,991	445,000	1,000	200,000	200,000
Interest	0	646,458	646,458	300,000	324,000
Total Revenue	18,003,708	14,464,458	14,072,458	15,611,000	16,164,000
Transfers From					
General Fund	22,347,656	0	0	0	0
Total Transfers From	22,347,656	0	0	0	0
Total Source of Funds	40,349,208	43,430,272	43,038,272	42,426,660	44,716,606
Expenditures					
Salaries	4,616,090	6,438,904	6,438,904	6,500,511	7,257,209
Retirement and Benefits	2,494,789	3,259,834	3,259,834	3,619,616	4,095,866
Materials/Services/Supplies	2,160,221	4,317,929	4,317,929	1,878,886	1,590,060
Services From Other Funds - Cost Allocation Plan	1,117,637	1,139,990	1,139,990	1,031,044	1,051,665
Interfund Services	822,558	878,182	878,182	659,535	657,596
Total Expenditures	11,211,295	16,034,839	16,034,839	13,689,592	14,652,396
Transfers To					
Building Special Programs and Training Fund	7,000	7,000	7,000	7,000	7,000
General Fund	163,362	179,036	179,036	175,725	185,793
General Government Capital Fund	1,737	1,737	1,737	1,737	1,737
Total Transfers To	172,099	187,773	187,773	184,462	194,530



SPECIAL REVENUE FUNDS | BUILDING DEVELOPMENT SERVICES FUND (155)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Ending Fund Balance					
Encumbrance Carryover	1,608,625	1,608,625	1,608,625	1,608,625	1,608,625
Unrestricted	27,357,189	25,599,035	25,207,035	26,943,981	28,261,055
Total Ending Fund Balance	28,965,814	27,207,660	26,815,660	28,552,606	29,869,680
Total Use of Funds	40,349,208	43,430,272	43,038,272	42,426,660	44,716,606



SPECIAL REVENUE FUNDS | BUILDING SPECIAL PROGRAMS AND TRAINING FUND (220)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
CASp Reserve - Restricted	35,585	56,842	56,842	56,842	56,842
Seismic Admin Reserve - Restricted	52,036	109,581	109,581	109,581	109,581
Building Standard Reserve - Restricted	90,671	53,751	53,751	55,381	55,381
Total Beginning Fund Balance	178,292	220,174	220,174	221,804	221,804
Revenue					
License Permit	64,002	37,995	37,995	37,995	37,995
Seismic Admin Fee	0	14,000	14,000	0	0
Building Standard Fee	0	4,400	4,400	0	0
Total Revenue	64,002	56,395	56,395	37,995	37,995
Transfers From					
Building Development Services Fund	7,000	7,000	7,000	7,000	7,000
Total Transfers From	7,000	7,000	7,000	7,000	7,000
Total Source of Funds	249,294	283,569	283,569	266,799	266,799
Expenditures					
Salaries	17,385	30,000	30,000	22,020	22,020
Materials/Services/Supplies	9,985	30,000	30,000	21,210	21,210
Total Expenditures	27,370	60,000	60,000	43,230	43,230
Transfers To					
General Fund	1,750	1,765	1,765	1,765	1,765
Total Transfers To	1,750	1,765	1,765	1,765	1,765
Ending Fund Balance					
CASp Reserve - Restricted	56,842	56,842	56,842	56,842	56,842
Seismic Admin Reserve - Restricted	109,581	109,581	109,581	109,581	109,581
Building Standard Reserve - Restricted	53,751	55,381	55,381	55,381	55,381
Total Ending Fund Balance	220,174	221,804	221,804	221,804	221,804
Total Use of Funds	249,294	283,569	283,569	266,799	266,799

SPECIAL REVENUE FUNDS | CITY AFFORDABLE HOUSING FUND (165)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	1,421,539	1,108,582	1,108,582	1,108,582	1,108,582
Unrestricted	8,759,602	7,716,439	7,716,439	10,488,576	10,095,739
Total Beginning Fund Balance	10,181,141	8,825,021	8,825,021	11,597,158	11,204,321
Revenue					
Other Fees for Services	30,688	32,000	32,000	57,462	58,919
Other Agencies Revenue	16,611	0	0	0	0
Interest	174,583	174,583	174,583	174,583	174,583
Other Revenue	3,507,497	6,956,117	6,956,117	934,675	934,675
Total Revenue	3,729,379	7,162,700	7,162,700	1,166,720	1,168,177
Total Source of Funds	13,910,520	15,987,721	15,987,721	12,763,878	12,372,498
Expenditures					
Salaries	239,525	229,371	229,371	354,289	372,598
Retirement and Benefits	108,188	100,726	100,726	155,955	164,098
Materials/Services/Supplies	606,063	735,918	735,918	704,618	713,253
Services From Other Funds - Cost Allocation Plan	24,067	24,548	24,548	43,005	43,865
Interfund Services	376	0	0	1,690	1,672
Capital Outlay	4,107,280	3,300,000	3,300,000	300,000	300,000
Total Expenditures	5,085,499	4,390,563	4,390,563	1,559,557	1,595,486
Ending Fund Balance					
Encumbrance Carryover	1,108,582	1,108,582	1,108,582	1,108,582	1,108,582
Unrestricted	7,716,439	10,488,576	10,488,576	10,095,739	9,668,430
Total Ending Fund Balance	8,825,021	11,597,158	11,597,158	11,204,321	10,777,012
Total Use of Funds	13,910,520	15,987,721	15,987,721	12,763,878	12,372,498

SPECIAL REVENUE FUNDS | COMMUNITY FACILITIES

DISTRICT NO. 2019-1 (LAWRENCE STATION) FUND (027)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	57,842	180,782	180,782	180,782	180,782
Capital Reserve	62,566	65,651	128,217	200,767	277,382
Unrestricted	181,579	369,887	307,321	235,118	168,307
Total Beginning Fund Balance	301,987	616,320	616,320	616,667	626,471
Revenue					
Special Tax Revenues	328,257	362,748	362,748	383,077	450,298
Total Revenue	328,257	362,748	362,748	383,077	450,298
Total Source of Funds	630,244	979,068	979,068	999,744	1,076,769
Expenditures					
Administration	0	3,845	3,845	3,960	4,079
Facilities	0	117,420	117,420	120,942	124,570
Landscaped Parkways	0	29,367	29,367	30,248	31,155
Parking Enforcement	0	92,000	92,000	94,760	97,603
Parking Space Maintenance	0	3,504	3,504	3,610	3,718
Parks	13,924	113,000	113,000	116,390	119,882
Roadways	0	3,265	3,265	3,363	3,464
Total Expenditures	13,924	362,401	362,401	373,273	384,471
Ending Fund Balance					
Encumbrance Carryover	180,782	180,782	180,782	180,782	180,782
Capital Reserve	128,217	65,651	200,767	277,382	367,442
Unrestricted	307,321	370,234	235,118	168,307	144,074
Total Ending Fund Balance	616,320	616,667	616,667	626,471	692,298
Total Use of Funds	630,244	979,068	979,068	999,744	1,076,769

SPECIAL REVENUE FUNDS | CONVENTION CENTER MAINTENANCE DISTRICT FUND (026)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Unrestricted	569,103	399,028	399,028	145,000	0
Total Beginning Fund Balance	569,103	399,028	399,028	145,000	0
Revenue					
Other Fees for Services	926,770	1,035,419	1,035,419	968,736	968,736
Interest	9,569	0	0	0	0
Total Revenue	936,339	1,035,419	1,035,419	968,736	968,736
Transfers From					
General Fund	771,349	842,700	842,700	805,383	805,383
Total Transfers From	771,349	842,700	842,700	805,383	805,383
Total Source of Funds	2,276,791	2,277,147	2,277,147	1,919,119	1,774,119
Expenditures					
Salaries	18,182	18,802	18,802	19,412	20,019
Retirement and Benefits	9,279	10,642	10,642	9,887	10,158
Materials/Services/Supplies	1,313,996	1,720,869	1,575,869	1,690,227	1,538,584
Services From Other Funds - Cost Allocation Plan	55,632	56,745	56,745	140,429	143,238
Interfund Services	97,577	121,061	121,061	59,164	62,120
Refund to Hyatt	0	62,587	62,587	0	0
Refund to Techmart	0	92,889	92,889	0	0
Total Expenditures	1,494,666	2,083,595	1,938,595	1,919,119	1,774,119
Transfers To					
General Fund	383,097	193,552	193,552	0	0
Total Transfers To	383,097	193,552	193,552	0	0
Ending Fund Balance					
Unrestricted	399,028	0	145,000	0	0
Total Ending Fund Balance	399,028	0	145,000	0	0
Total Use of Funds	2,276,791	2,277,147	2,277,147	1,919,119	1,774,119



SPECIAL REVENUE FUNDS | DEVELOPER TRAFFIC PAYMENTS FUND (124)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Restricted Fund Balance	7,941,970	8,677,690	8,677,690	8,677,690	8,677,690
Total Beginning Fund Balance	7,941,970	8,677,690	8,677,690	8,677,690	8,677,690
Revenue					
Other Revenue	13,000	1,108,500	0	0	0
Total Revenue	13,000	1,108,500	0	0	0
Transfers From					
Streets and Highways Capital Fund	722,720	0	0	0	0
Total Transfers From	722,720	0	0	0	0
Total Source of Funds	8,677,690	9,786,190	8,677,690	8,677,690	8,677,690
Transfers To					
Streets and Highways Capital Fund	0	1,108,500	0	0	0
Total Transfers To	0	1,108,500	0	0	0
Ending Fund Balance					
Restricted Fund Balance	8,677,690	8,677,690	8,677,690	8,677,690	8,677,690
Total Ending Fund Balance	8,677,690	8,677,690	8,677,690	8,677,690	8,677,690
Total Use of Funds	8,677,690	9,786,190	8,677,690	8,677,690	8,677,690

SPECIAL REVENUE FUNDS | DOWNTOWN PARKING MAINTENANCE DISTRICT FUND (025)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	7,948	0	0	0	0
Reserve for Maintenance	144,324	156,961	156,961	171,161	185,361
Unrestricted	581,695	463,668	463,668	326,147	326,187
Total Beginning Fund Balance	733,967	620,629	620,629	497,308	511,548
Revenue					
Interest	2,182	1,938	1,938	2,181	2,200
Other Fees for Services	10,455	12,262	12,262	12,019	12,000
Total Revenue	12,637	14,200	14,200	14,200	14,200
Transfers From					
General Fund	0	0	0	137,030	144,650
Total Transfers From	0	0	0	137,030	144,650
Total Source of Funds	746,604	634,829	634,829	648,538	670,398
Expenditures					
Salaries	27,967	47,440	47,440	42,972	46,714
Retirement and Benefits	28,253	28,631	28,631	31,870	34,298
Materials/Services/Supplies	45,979	39,877	39,877	41,063	42,272
Services From Other Funds - Cost Allocation Plan	15,275	15,581	15,581	14,539	14,830
Interfund Services	8,501	5,992	5,992	6,546	6,495
Total Expenditures	125,975	137,521	137,521	136,990	144,609
Ending Fund Balance					
Encumbrance Carryover	0	0	0	0	0
Reserve for Maintenance	156,961	171,161	171,161	185,361	199,561
Unrestricted	463,668	326,147	326,147	326,187	326,228
Total Ending Fund Balance	620,629	497,308	497,308	511,548	525,789
Total Use of Funds	746,604	634,829	634,829	648,538	670,398



SPECIAL REVENUE FUNDS | ENDOWMENT CARE FUND (077)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Unrestricted	1,894,640	2,149,392	2,149,392	2,281,392	2,381,392
Total Beginning Fund Balance	1,894,640	2,149,392	2,149,392	2,281,392	2,381,392
Revenue					
Other Fees for Services	254,752	90,000	132,000	100,000	100,000
Interest	29,663	28,000	28,000	30,000	30,000
Total Revenue	284,415	118,000	160,000	130,000	130,000
Total Source of Funds	2,179,055	2,267,392	2,309,392	2,411,392	2,511,392
Transfers To					
Cemetery Fund	29,663	28,000	28,000	30,000	30,000
Total Transfers To	29,663	28,000	28,000	30,000	30,000
Ending Fund Balance					
Unrestricted	2,149,392	2,239,392	2,281,392	2,381,392	2,481,392
Total Ending Fund Balance	2,149,392	2,239,392	2,281,392	2,381,392	2,481,392
Total Use of Funds	2,179,055	2,267,392	2,309,392	2,411,392	2,511,392

SPECIAL REVENUE FUNDS | ENGINEERING OPERATING GRANT TRUST FUND (144)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	174,221	140,611	140,611	0	0
Unrestricted	(423,974)	(375,969)	(375,969)	0	0
Total Beginning Fund Balance	(249,753)	(235,358)	(235,358)	0	0
Revenue					
Other Agencies Revenue	0	911,834	911,834	0	0
Total Revenue	0	911,834	911,834	0	0
Transfers From					
General Fund	55,753	227,611	227,611	0	0
Total Transfers From	55,753	227,611	227,611	0	0
Total Source of Funds	(194,000)	904,087	904,087	0	0
Expenditures					
Local Early Action Planning	7,748	491,403	491,403	0	0
One Bay Area Grant 15-16 City Match	5,820	0	0	0	0
One Bay Area Grant 15-16	27,791	0	0	0	0
Regional Early Action Planning	0	102,684	102,684	0	0
Tasman East Specific Plan	0	310,000	310,000	0	0
VRF Countywide ITS 15-16	0	0	0	0	0
Total Expenditures	41,359	904,087	904,087	0	0
Ending Fund Balance					
Encumbrance Carryover	140,611	0	0	0	0
Unrestricted	(375,970)	0	0	0	0
Total Ending Fund Balance	(235,359)	0	0	0	0
Total Use of Funds	(194,000)	904,087	904,087	0	0

SPECIAL REVENUE FUNDS | EXPENDABLE TRUST FUND (079)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	22,983	25,352	25,352	25,352	25,352
Unrestricted	1,236,029	994,646	994,646	0	0
Total Beginning Fund Balance	1,259,012	1,019,998	1,019,998	25,352	25,352
Revenue					
<i>Grants</i>					
Community Development Department	0	49,500	49,500	0	0
Fire Department	9,537	0	0	0	0
Information Technology	19,346	0	0	0	0
Police Department	38,875	0	0	0	0
Public Works	37,319	2,728	2,728	0	0
Total Revenue	105,077	52,228	52,228	0	0
Total Source of Funds	1,364,089	1,072,226	1,072,226	25,352	25,352
Expenditures					
<i>City Attorney's Office</i>					
Environment Enforcement Fines - City	0	32,189	32,189	0	0
<i>City Manager's Office</i>					
ENA - SC Caltrain Station	0	12,974	12,974	0	0
<i>Community Development</i>					
Tasman East Contribution	0	49,500	49,500	0	0
<i>Fire</i>					
CUPA Administrative Enforcement Order	0	459,274	459,274	0	0
Environment Enforcement Fines - Fire	15,913	59	59	0	0
Fire Prevention	0	1,708	1,708	0	0
Fire - Haz Mat	0	1,598	1,598	0	0
Fire - Cert Grant	0	5,223	5,223	0	0
Fire - EMS Grant	0	2,681	2,681	0	0
OES HM Emergency Prep	0	75,000	75,000	0	0
Training HM Emergency Prep	0	4,133	4,133	0	0
Training Classes	0	2,861	2,861	0	0
<i>Human Resources</i>					
Deferred Comp. Revenue Sharing	17,598	0	0	0	0
<i>Information Technology</i>					
SVACA Billings - City Depts	19,346	0	0	0	0

SPECIAL REVENUE FUNDS | EXPENDABLE TRUST FUND (079)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Expenditures					
<i>Library</i>					
CLSA - Transaction Based Reimbursement	0	1,770	1,770	0	0
Public Library Foundation	0	17,718	17,718	0	0
<i>Police</i>					
Bingo Enforcement Fees	1,959	316,791	316,791	0	0
Seized Asset Funds - Local	0	41	41	0	0
Seized Asset Funds - State	72,255	0	0	0	0
Seized Asset Funds - US Justice	0	5,542	5,542	0	0
Shooting Range Recycled Casings	0	2,320	2,320	0	0
<i>Public Works</i>					
Environment Enforcement Fines - Street	0	12,875	12,875	0	0
Seized Asset Funds - Local	0	1,617	1,617	0	0
SVACA Billings - City Depts	34,520	0	0	0	0
Total Expenditures	161,591	1,005,874	1,005,874	0	0
Transfers To					
Police Operating Grant Trust Fund	182,500	41,000	41,000	0	0
Total Transfers To	182,500	41,000	41,000	0	0
Ending Fund Balance					
Encumbrance Carryover	25,352	25,352	25,352	25,352	25,352
Unrestricted	994,646	0	0	0	0
Total Ending Fund Balance	1,019,998	25,352	25,352	25,352	25,352
Total Use of Funds	1,364,089	1,072,226	1,072,226	25,352	25,352



SPECIAL REVENUE FUNDS | FIRE DEVELOPMENT SERVICES FUND (158)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Unrestricted	0	0	0	0	325,927
Total Beginning Fund Balance	0	0	0	0	325,927
Revenue					
Other Fees for Services	0	0	0	2,935,000	3,081,750
Total Revenue	0	0	0	2,935,000	3,081,750
Transfers From					
General Fund - Development Fee Reserve	0	0	0	500,000	0
Total Transfers From	0	0	0	500,000	0
Total Source of Funds	0	0	0	3,435,000	3,407,677
Expenditures					
Salaries	0	0	0	1,577,676	1,663,215
Retirement and Benefits	0	0	0	1,016,392	1,076,808
Materials/Services/Supplies	0	0	0	47,568	48,473
Services from Other Funds - Cost	0	0	0	230,941	235,560
Interfund Services	0	0	0	236,496	240,762
Total Expenditures	0	0	0	3,109,073	3,264,818
Ending Fund Balance					
Unrestricted	0	0	0	325,927	142,859
Total Ending Fund Balance	0	0	0	325,927	142,859
Total Use of Funds	0	0	0	3,435,000	3,407,677

SPECIAL REVENUE FUNDS | FIRE OPERATING GRANT TRUST FUND (178)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	185,000	0	0	0	0
Unrestricted	(281,018)	(64,582)	(64,582)	0	0
Total Beginning Fund Balance	(96,018)	(64,582)	(64,582)	0	0
Revenue					
Other Agencies Revenue	298,798	1,105,972	542,488	3,380,904	3,743,514
Total Revenue	298,798	1,105,972	542,488	3,380,904	3,743,514
Transfers From					
General Fund	63	0	0	626,000	770,000
Total Transfers From	63	0	0	626,000	770,000
Total Source of Funds	202,843	1,041,390	477,906	4,006,904	4,513,514
Expenditures					
Assistance to Firefighter FY18/19 City Match	6,829	7,947	7,947	0	0
Assistance to Firefighter FY 18/19	(6,829)	79,472	79,472	0	0
Assistance to Firefighter FY19/20 City Match	0	4,017	4,017	0	0
Assistance to Firefighter FY 19/20	0	40,168	40,168	0	0
Assistance to Firefighter Supplemental City Match	3,072	202	202	0	0
Assistance to Firefighter Supplemental	32,745	0	0	0	0
Bay Area Urban Security Initiative 2019	185,000	0	0	0	0
California Environmental Protection Agency	0	26,096	26,096	0	0
Emergency Management Performance Grant 2020	22,415	0	0	0	0
Emergency Medical Services County Patient Care System	151	0	0	0	0
Emergency Management Performance Grant 2022	0	38,811	38,811	0	0
Emergency Preparedness Grant	0	33,000	33,000	0	0



SPECIAL REVENUE FUNDS | FIRE OPERATING GRANT TRUST FUND (178)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Expenditures					
Staffing for Adequate Fire and Emergency Response	0	563,484	0	4,006,904	4,513,514
State Homeland Security Grant Program FY18/19	6,223	0	0	0	0
State Homeland Security Grant Program FY20/21	1,807	248,193	248,193		
Urban Search and Rescue Team Training	16,012	0	0	0	0
Total Expenditures	267,425	1,041,390	477,906	4,006,904	4,513,514
Ending Fund Balance					
Encumbrance Carryover	0	0	0	0	0
Unrestricted	(64,582)	0	0	0	0
Total Ending Fund Balance	(64,582)	0	0	0	0
Total Use of Funds	202,843	1,041,390	477,906	4,006,904	4,513,514

SPECIAL REVENUE FUNDS | GAS TAX FUND (121)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Unrestricted	1,821,342	1,197,202	1,197,202	2,339,767	1,189,767
Total Beginning Fund Balance	1,821,342	1,197,202	1,197,202	2,339,767	1,189,767
Revenue					
State Revenues	2,740,247	3,400,000	3,400,000	3,400,000	3,400,000
Interest	200,030	100,000	200,000	100,000	100,000
Total Revenue	2,940,277	3,500,000	3,600,000	3,500,000	3,500,000
Transfers From					
Streets and Highways Capital Fund	382,163	527,565	527,565	0	0
Total Transfers From	382,163	527,565	527,565	0	0
Total Source of Funds	5,143,782	5,224,767	5,324,767	5,839,767	4,689,767
Transfers To					
Streets and Highways Capital Fund	3,946,580	2,985,000	2,985,000	4,650,000	2,550,000
Total Transfers To	3,946,580	2,985,000	2,985,000	4,650,000	2,550,000
Ending Fund Balance					
Unrestricted	1,197,202	2,239,767	2,339,767	1,189,767	2,139,767
Total Ending Fund Balance	1,197,202	2,239,767	2,339,767	1,189,767	2,139,767
Total Use of Funds	5,143,782	5,224,767	5,324,767	5,839,767	4,689,767

SPECIAL REVENUE FUNDS | HOUSING AND URBAN DEVELOPMENT FUND (562)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	1,745,633	748,708	748,708	748,708	748,708
Restricted Program Income	0	519,419	519,419	0	0
Unrestricted	(749,253)	(119,448)	(119,448)	1,833,894	1,195,294
Total Beginning Fund Balance	996,380	1,148,679	1,148,679	2,582,602	1,944,002
Revenue					
Other Agencies Revenue	2,869,763	3,664,461	3,664,461	2,996,041	1,398,534
Interest	437	0	0	0	0
Other Revenue	537,657	260,000	260,000	110,000	120,000
Total Revenue	3,407,857	3,924,461	3,924,461	3,106,041	1,518,534
Total Source of Funds	4,404,237	5,073,140	5,073,140	5,688,643	3,462,536
Expenditures					
CDBG - Public Services	483,971	424,856	424,856	408,910	382,489
COVID Emergency Rental Assistance	919,966	0	200	0	0
NCIP - CDBG	319,169	563,710	292,377	725,362	610,336
Rebuilding Together Silicon Valley	58,024	150,000	100,927	100,000	100,000
Rehab - Affordable Rental Housing	0	916,394	261,153	721,778	0
Rehab - Public Facilities	0	0	0	163,950	0
Removal of Barriers	0	0	0	0	0
HOME Admin Contracts	106,224	56,576	141,000	53,758	42,570
CHDO Project	0	69,865	0	0	0
Homeless Tenant Based Rental Assistance	1,368,204	788,379	523,820	643,830	383,139
HOME American Rescue Plan Program	0	80,205	80,205	927,053	596,847
Multi-Family Rental Rehabilitation	0	642,000	642,000	0	0
Total Expenditures	3,255,558	3,691,985	2,466,538	3,744,641	2,115,381
Transfers To					
Parks and Recreation Operating Grant Trust Fund	0	24,000	24,000	0	0
Total Transfers To	0	24,000	24,000	0	0



SPECIAL REVENUE FUNDS | HOUSING AND URBAN DEVELOPMENT FUND (562)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Ending Fund Balance					
Encumbrance Carryover	748,708	748,708	748,708	748,708	748,708
Restricted Program Income	519,419	0	0	0	0
Unrestricted	(119,448)	608,447	1,833,894	1,195,294	598,447
Total Ending Fund Balance	1,148,679	1,357,155	2,582,602	1,944,002	1,347,155
Total Use of Funds	4,404,237	5,073,140	5,073,140	5,688,643	3,462,536



SPECIAL REVENUE FUNDS | HOUSING AUTHORITY FUND (164)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	120,000	97,963	97,963	97,963	97,963
Unrestricted	3,768,627	4,150,197	4,150,197	3,941,152	3,736,454
Total Beginning Fund Balance	3,888,627	4,248,160	4,248,160	4,039,115	3,834,417
Revenue					
Interest	59,767	59,767	59,767	11,475	11,000
Other Revenue	470,505	192,728	192,728	241,020	241,496
Total Revenue	530,272	252,495	252,495	252,495	252,496
Total Source of Funds	4,418,899	4,500,655	4,500,655	4,291,610	4,086,913
Expenditures					
Salaries	61,295	95,048	95,048	91,802	96,878
Retirement and Benefits	29,615	54,715	54,715	52,699	55,198
Materials/Services/Supplies	35,675	59,100	59,100	59,100	59,100
Interfund Services	173	0	0	915	905
Capital Outlay	43,981	252,677	252,677	252,677	202,500
Total Expenditures	170,739	461,540	461,540	457,193	414,581
Ending Fund Balance					
Encumbrance Carryover	97,963	97,963	97,963	97,963	97,963
Unrestricted	4,150,197	3,941,152	3,941,152	3,736,454	3,574,369
Total Ending Fund Balance	4,248,160	4,039,115	4,039,115	3,834,417	3,672,332
Total Use of Funds	4,418,899	4,500,655	4,500,655	4,291,610	4,086,913

SPECIAL REVENUE FUNDS | HOUSING SUCCESSOR AGENCY FUND (169)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	344,361	131,579	131,579	131,579	131,579
Unrestricted	13,895,617	8,197,182	8,197,182	3,585,939	4,019,038
Total Beginning Fund Balance	14,239,978	8,328,761	8,328,761	3,717,518	4,150,617
Revenue					
Other Fees for Services	1,845	0	0	0	0
Interest	186,771	154,771	154,771	186,771	186,771
Rents	0	32,000	32,000	0	0
Other Revenue	6,334,282	1,119,555	1,119,555	1,119,555	1,119,555
Total Revenue	6,522,898	1,306,326	1,306,326	1,306,326	1,306,326
Total Source of Funds	20,762,876	9,635,087	9,635,087	5,023,844	5,456,943
Expenditures					
Salaries	160,452	239,815	239,815	199,770	209,813
Retirement and Benefits	80,632	124,850	124,850	101,583	106,209
Materials/Services/Supplies	470,370	530,200	530,200	530,200	541,000
Services From Other Funds - Cost Allocation Plan	22,259	22,704	22,704	39,491	40,281
Interfund Services	402	0	0	2,183	2,160
Capital Outlay	11,700,000	5,000,000	5,000,000	0	0
Total Expenditures	12,434,115	5,917,569	5,917,569	873,227	899,463
Ending Fund Balance					
Encumbrance Carryover	131,579	131,579	131,579	131,579	131,579
Unrestricted	8,197,182	3,585,939	3,585,939	4,019,038	4,425,901
Total Ending Fund Balance	8,328,761	3,717,518	3,717,518	4,150,617	4,557,480
Total Use of Funds	20,762,876	9,635,087	9,635,087	5,023,844	5,456,943

SPECIAL REVENUE FUNDS | LIBRARY DONATIONS TRUST FUND (072)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Unrestricted	179,733	179,756	179,756	0	0
Total Beginning Fund Balance	179,733	179,756	179,756	0	0
Revenue					
Other Revenue	23	0	0	0	0
Total Revenue	23	0	0	0	0
Total Source of Funds	179,756	179,756	179,756	0	0
Expenditures					
City Library Foundation Trust	0	139,444	139,444	0	0
In Memory J.Jaffer	0	1,440	1,440	0	0
In Memory Of M.Dry	0	4,000	4,000	0	0
Library Books	0	1,300	1,300	0	0
Library Tote Bags	0	1,023	1,023	0	0
Literacy Program	0	9,050	9,050	0	0
SCSQ Irvine Contribution	0	22,755	22,755	0	0
Summer Reading	0	744	744	0	0
Total Expenditures	0	179,756	179,756	0	0
Ending Fund Balance					
Unrestricted	179,756	0	0	0	0
Total Ending Fund Balance	179,756	0	0	0	0
Total Use of Funds	179,756	179,756	179,756	0	0

SPECIAL REVENUE FUNDS | LIBRARY OPERATING GRANT TRUST FUND (112)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Unrestricted	28,529	39,276	39,276	0	0
Total Beginning Fund Balance	28,529	39,276	39,276	0	0
Revenue					
Other Agencies Revenue	112,392	147,266	147,266	0	0
Total Revenue	112,392	147,266	147,266	0	0
Transfers From					
General Fund	156	0	0	0	0
Total Transfers From	156	0	0	0	0
Total Source of Funds	141,077	186,542	186,542	0	0
Expenditures					
Adult Literacy Program 19-20	148	0	0	0	0
Adult Literacy Program 20-21	28,156	0	0	0	0
Adult Literacy Program 21-22	51,757	39,268	39,268	0	0
Adult Literacy Program 22-23	0	147,266	147,266	0	0
Dia De Los Ninos	382	0	0	0	0
PLP Innovation and Technology 20-21	12,135	0	0	0	0
PLP Innovation and Technology 21-22	9,223	8	8	0	0
Total Expenditures	101,801	186,542	186,542	0	0
Ending Fund Balance					
Unrestricted	39,276	0	0	0	0
Total Ending Fund Balance	39,276	0	0	0	0
Total Use of Funds	141,077	186,542	186,542	0	0

SPECIAL REVENUE FUNDS | OTHER CITY DEPARTMENTS OPERATING GRANT TRUST FUND (101)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	153,386	29,876	29,876	29,876	29,876
Unrestricted	138,343	128,920	128,920	0	0
Total Beginning Fund Balance	291,729	158,796	158,796	29,876	29,876
Revenue					
City Manager's Office	949	0	0	0	0
Total Revenue	949	0	0	0	0
Transfers From					
General Fund	534,275	0	0	0	0
Total Transfers From	534,275	0	0	0	0
Total Source of Funds	826,953	158,796	158,796	29,876	29,876
Expenditures					
<i>City Attorney's Office</i>					
COVID-19	6,783	0	0	0	0
Healthy Cities Program - Tobacco Free Communities	202	0	0	0	0
<i>City Clerk's Office</i>					
COVID-19	40	0	0	0	0
<i>City Manager's Office</i>					
COVID-19	39,246	0	0	0	0
Healthy Cities Program - Tobacco Free Communities	226	2,724	2,724	0	0
<i>Community Development Department</i>					
COVID-19	793	0	0	0	0
<i>Electric Utility</i>					
COVID-19	6,978	0	0	0	0
<i>Finance Department</i>					
COVID-19	26,907	0	0	0	0
<i>Fire Department</i>					
COVID-19	322,092	0	0	0	0

SPECIAL REVENUE FUNDS | OTHER CITY DEPARTMENTS OPERATING GRANT TRUST FUND (101)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Expenditures					
<i>Human Resources Department</i>					
COVID-19	8,054	0	0	0	0
<i>Information Technology Department</i>					
COVID-19	511	0	0	0	0
<i>Library Department</i>					
COVID-19	2,682	0	0	0	0
<i>Non-Departmental</i>					
COVID-19	142,108	25,000	25,000	0	0
<i>Parks & Recreation Department</i>					
COVID-19	10,265	0	0	0	0
<i>Police Department</i>					
COVID-19	79,441	0	0	0	0
<i>Public Works Department</i>					
COVID-19	86	0	0	0	0
<i>Water and Sewer Utilities Department</i>					
COVID-19	11,743	0	0	0	0
Total Expenditures	658,157	27,724	27,724	0	0
Transfers To					
General Fund	10,000	101,196	101,196	0	0
Total Transfers To	10,000	101,196	101,196	0	0
Ending Fund Balance					
Encumbrance Carryover	29,876	29,876	29,876	29,876	29,876
Unrestricted	128,920	0	0	0	0
Total Ending Fund Balance	158,796	29,876	29,876	29,876	29,876
Total Use of Funds	826,953	158,796	158,796	29,876	29,876

SPECIAL REVENUE FUNDS | PARKS AND RECREATION OPERATING GRANT TRUST FUND (111)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	33,560	0	0	0	0
Unrestricted	97,998	123,091	123,091	123,091	123,091
Total Beginning Fund Balance	131,558	123,091	123,091	123,091	123,091
Revenue					
Other Agencies Revenue	176,674	124,918	124,918	124,918	124,918
Total Revenue	176,674	124,918	124,918	124,918	124,918
Transfers From					
General Fund	3,445	3,445	3,445	27,445	27,445
Housing and Urban Development Fund	24,000	24,000	24,000	0	0
Total Transfers From	27,445	27,445	27,445	27,445	27,445
Total Source of Funds	335,677	275,454	275,454	275,454	275,454
Expenditures					
Salaries	40,320	43,237	43,237	43,237	43,237
Materials/Services/Supplies	172,266	109,126	109,126	109,126	109,126
Total Expenditures	212,586	152,363	152,363	152,363	152,363
Ending Fund Balance					
Encumbrance Carryover	0	0	0	0	0
Unrestricted	123,091	123,091	123,091	123,091	123,091
Total Ending Fund Balance	123,091	123,091	123,091	123,091	123,091
Total Use of Funds	335,677	275,454	275,454	275,454	275,454



SPECIAL REVENUE FUNDS | PERPETUAL CARE FUND (076)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Unrestricted	38,244	38,244	38,244	38,244	38,244
Total Beginning Fund Balance	38,244	38,244	38,244	38,244	38,244
Revenue					
Interest	558	500	500	500	500
Total Revenue	558	500	500	500	500
Total Source of Funds	38,802	38,744	38,744	38,744	38,744
Transfers To					
Cemetery Fund	558	500	500	500	500
Total Transfers To	558	500	500	500	500
Ending Fund Balance					
Unrestricted	38,244	38,244	38,244	38,244	38,244
Total Ending Fund Balance	38,244	38,244	38,244	38,244	38,244
Total Use of Funds	38,802	38,744	38,744	38,744	38,744

SPECIAL REVENUE FUNDS | POLICE OPERATING GRANT TRUST FUND (177)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	36,532	51,110	51,110	51,110	51,110
Unrestricted	1,433,908	1,598,009	1,598,009	0	0
Total Beginning Fund Balance	1,470,440	1,649,119	1,649,119	51,110	51,110
Revenue					
Other Agencies Revenue	352,764	505,987	505,987	0	0
Other Fees for Services	65,997	0	0	0	0
Total Revenue	418,761	505,987	505,987	0	0
Transfers From					
General Fund	22,768	38,424	38,424	0	0
Expendable Trust Fund	182,500	41,000	41,000	0	0
Total Transfers From	205,268	79,424	79,424	0	0
Total Source of Funds	2,094,469	2,234,530	2,234,530	51,110	51,110
Expenditures					
Abandoned Vehicle Abatement Program	0	174,169	174,169	0	0
Board of State and Community Correction	0	38,544	38,544	0	0
Board of State and Community Correction 2020	64,561	276,676	276,676	0	0
Board of State and Community Correction 2023	0	98,292	98,292	0	0
Cannabis Tax Fund Grant FY 2022	47,702	0	0	0	0
Citizens' Option for Public Safety 17-18	306	0	0	0	0
Citizens' Option for Public Safety 18-19	34,340	168,518	168,518	0	0
Citizens' Option for Public Safety 19-20	25,000	215,080	215,080	0	0
Citizens' Option for Public Safety 20-21	106,457	212,710	212,710	0	0
Citizens' Option for Public Safety 21-22	23,561	276,799	276,799	0	0
Citizens' Option for Public Safety 22-23	0	200,980	200,980		
Department of Justice COVID	9,967	0	0	0	0
Edward Byrne Memorial JAG FY17	289	0	0	0	0
Edward Byrne Memorial JAG FY19	12,390	0	0	0	0
Edward Byrne Memorial JAG FY20	12,469	0	0	0	0
Edward Byrne Memorial JAG FY21	15,931	0	0	0	0



SPECIAL REVENUE FUNDS | POLICE OPERATING GRANT TRUST FUND (177)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Expenditures					
National Incident-Based Reporting System	(6,911)	3,923	3,923	0	0
Office of Traffic Safety 2022	37,561	37,439	37,439	0	0
Seized Asset Funds	61,727	262,890	262,890	0	0
West Valley College Training Program	0	217,400	217,400	0	0
Total Expenditures	445,350	2,183,420	2,183,420	0	0
Ending Fund Balance					
Encumbrance Carryover	51,110	51,110	51,110	51,110	51,110
Unrestricted	1,598,009	0	0	0	0
Total Ending Fund Balance	1,649,119	51,110	51,110	51,110	51,110
Total Use of Funds	2,094,469	2,234,530	2,234,530	51,110	51,110

SPECIAL REVENUE FUNDS | PREFUNDED PLAN REVIEW FUND (157)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	0	32,614	32,614	32,614	32,614
Unrestricted	694,338	437,474	437,474	0	0
Total Beginning Fund Balance	694,338	470,088	470,088	32,614	32,614
Revenue					
Other Revenue	332,500	0	0	0	0
Total Revenue	332,500	0	0	0	0
Transfers From					
General Fund - Advanced Planning Reserve	0	60,000	60,000	0	0
Total Transfers From	0	60,000	60,000	0	0
Total Source of Funds	1,026,838	530,088	530,088	32,614	32,614
Expenditures					
Materials/Services/Supplies	543,649	497,474	497,474	0	0
Total Expenditures	543,649	497,474	497,474	0	0
Transfers To					
General Fund	13,101	0	0	0	0
Total Transfers To	13,101	0	0	0	0
Ending Fund Balance					
Encumbrance Carryover	32,614	32,614	32,614	32,614	32,614
Unrestricted	437,474	0	0	0	0
Total Ending Fund Balance	470,088	32,614	32,614	32,614	32,614
Total Use of Funds	1,026,838	530,088	530,088	32,614	32,614

SPECIAL REVENUE FUNDS | PUBLIC DONATIONS FUND (067)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Unrestricted	462,028	610,912	610,912	0	0
Total Beginning Fund Balance	462,028	610,912	610,912	0	0
Revenue					
<i>Donations</i>					
City Manager's Office	341	0	0	0	0
Parks and Recreation	32,258	5,000	5,000	0	0
Police	152,500	0	0	0	0
Total Revenue	185,099	5,000	5,000	0	0
Total Source of Funds	647,127	615,912	615,912	0	0
Expenditures					
<i>City Manager's Office</i>					
Bank of Santa Clara Car Seat Program	0	500	500	0	0
Donations - Art in Public Places	0	226	226	0	0
Donations - Championship Teams	0	1,344	1,344	0	0
Donations - Help Your Neighbor	33,339	29,067	29,067	0	0
Donations - Mission City Community	0	67	67	0	0
Donations - Undesignated	0	275	275	0	0
S.C. Art in Public Places	0	37,720	37,720	0	0
<i>Community Development</i>					
Donations - Berryessa Adobe	0	1,150	1,150	0	0
Donations - Historical Preservation	0	4,491	4,491	0	0
<i>Fire</i>					
Donations - Fire Safety	0	1,961	1,961	0	0
Donations - Public Education	0	1,384	1,384	0	0
<i>Parks and Recreation</i>					
Arts, Crafts and Wine Festival	0	179,852	179,852	0	0
Case Management Grant	0	59,726	59,726	0	0
Roberta Jones JR Theatre	0	1,745	1,745	0	0
Teens - Youth Commission	0	3,819	3,819	0	0
Wade Brummal Scholarship Fund	2,420	130,624	130,624	0	0
<i>Police</i>					
Donation - COVID	456	4,544	4,544	0	0
Police - Bicycle Safety Program	0	1,377	1,377	0	0



SPECIAL REVENUE FUNDS | PUBLIC DONATIONS FUND (067)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Expenditures					
<i>Police</i>					
Police - Team 200	0	150,000	150,000	0	0
Police - Training Simunition Program	0	2,500	2,500	0	0
Police - Voucher Program	0	3,540	3,540	0	0
Total Expenditures	36,215	615,912	615,912	0	0
Ending Fund Balance					
Encumbrance Carryover	0	0	0	0	0
Unrestricted	610,912	0	0	0	0
Total Ending Fund Balance	610,912	0	0	0	0
Total Use of Funds	647,127	615,912	615,912	0	0



SPECIAL REVENUE FUNDS | PUBLIC, EDUCATIONAL, AND GOVERNMENTAL FEE FUND (221)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	15,534	42,309	42,309	42,309	42,309
Unrestricted	2,411,173	2,530,675	2,530,675	2,680,675	2,680,675
Total Beginning Fund Balance	2,426,707	2,572,984	2,572,984	2,722,984	2,722,984
Revenue					
Other Revenue	232,867	200,000	200,000	200,000	200,000
Total Revenue	232,867	200,000	200,000	200,000	200,000
Total Source of Funds	2,659,574	2,772,984	2,772,984	2,922,984	2,922,984
Expenditures					
Capital Outlay	86,590	974,239	50,000	200,000	200,000
Total Expenditures	86,590	974,239	50,000	200,000	200,000
Ending Fund Balance					
Encumbrance Carryover	42,309	42,309	42,309	42,309	42,309
Unrestricted	2,530,675	1,756,436	2,680,675	2,680,675	2,680,675
Total Ending Fund Balance	2,572,984	1,798,745	2,722,984	2,722,984	2,722,984
Total Use of Funds	2,659,574	2,772,984	2,772,984	2,922,984	2,922,984



SPECIAL REVENUE FUNDS | ROAD MAINTENANCE AND REHABILITATION (SB1) FUND (122)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Unrestricted	356,270	921,779	921,779	971,779	1,021,779
Total Beginning Fund Balance	356,270	921,779	921,779	971,779	1,021,779
Revenue					
State Revenues	2,612,032	2,500,000	2,500,000	2,500,000	2,500,000
Interest	53,477	0	50,000	50,000	50,000
Total Revenue	2,665,509	2,500,000	2,550,000	2,550,000	2,550,000
Total Source of Funds	3,021,779	3,421,779	3,471,779	3,521,779	3,571,779
Transfers To					
Streets and Highways Capital Fund	2,100,000	2,500,000	2,500,000	2,500,000	2,500,000
Total Transfers To	2,100,000	2,500,000	2,500,000	2,500,000	2,500,000
Ending Fund Balance					
Unrestricted	921,779	921,779	971,779	1,021,779	1,071,779
Total Ending Fund Balance	921,779	921,779	971,779	1,021,779	1,071,779
Total Use of Funds	3,021,779	3,421,779	3,471,779	3,521,779	3,571,779

SPECIAL REVENUE FUNDS | TRAFFIC MITIGATION FUND (123)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Unrestricted	4,527,702	3,349,091	3,349,091	2,512,561	2,962,561
Total Beginning Fund Balance	4,527,702	3,349,091	3,349,091	2,512,561	2,962,561
Revenue					
Other Fees for Services	978,860	1,000,000	1,000,000	1,000,000	1,000,000
Interest	169,127	150,000	150,000	150,000	150,000
Total Revenue	1,147,987	1,150,000	1,150,000	1,150,000	1,150,000
Transfers From					
Streets and Highways Capital Fund	266,780	0	0	0	0
Total Transfers From	266,780	0	0	0	0
Total Source of Funds	5,942,469	4,499,091	4,499,091	3,662,561	4,112,561
Transfers To					
Streets and Highways Capital Fund	2,593,378	1,986,530	1,986,530	700,000	1,600,000
Total Transfers To	2,593,378	1,986,530	1,986,530	700,000	1,600,000
Ending Fund Balance					
Unrestricted	3,349,091	2,512,561	2,512,561	2,962,561	2,512,561
Total Ending Fund Balance	3,349,091	2,512,561	2,512,561	2,962,561	2,512,561
Total Use of Funds	5,942,469	4,499,091	4,499,091	3,662,561	4,112,561

This page is intentionally left blank.

Enterprise Funds

This page is intentionally left blank.

ENTERPRISE FUNDS

Enterprise funds are used to finance and account for operations and activities performed by designated departments in the City or through third party agreements. The operating revenues and expenses result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. Principal operating revenues of the City's enterprise funds are charges to customers for services. Operating expenses for the City's enterprise funds include the costs of sales and services, administrative expenses and maintenance of capital assets.

Cemetery Fund (093)

This fund is managed by the Parks and Recreation Department and provides planning, development, operation, and maintenance of the City's two cemetery properties with one located on North Winchester Boulevard and one on Hope Drive. This fund is supported by charges for these services and transfers from the General Fund.

Convention Center Enterprise Fund (860)

This fund was established in 1984 to account for the operations of the City's Convention Center through third-party agreements. In February 2019, the City entered into an agreement with Global Spectrum, LP, dba Spectra Venue Management (Spectra). Spectra was subsequently acquired by Oak View Group (OVG360) and now manages the Convention Center. As part of the agreement, OVG360 provided the City with an operating budget for FY 2023/24 and FY 2024/25. These submittals have been incorporated into the source and use documents.

Electric Operating Grant Trust Fund (191)

The City's Electric Utility Department, known as Silicon Valley Power (SVP), initially established the Electric Operating Grant Trust Fund for the Public Benefits Program. For the Public Benefits Program, SVP is required to collect and spend 2.85% of its electric sales revenues (customer service charges from Electric Utility Fund) in accordance with assembly bill AB 1890 on cost-effective energy efficiency, new renewable power generation, low-income energy programs, and new electric technologies research and development.

In FY 2019/20, two programs were added to this fund - the Low Carbon Fuel and Greenhouse Gas (GHG) programs. These programs also use restricted revenue and have annual reporting requirements. The Low Carbon Fuel program is aimed at participating and complying with the California Air Resources Board (CARB) Low Carbon Fuel Standard (LCFS) Program to develop, educate and foster the adoption of electrification as transportation fuel. Program expenses are allocated and required to be spent within three primary groups: Clean Fuel Rewards Program, Equity Projects, and Customer Programs. The Greenhouse Gas Program's purpose is to comply with Cap-and-Trade Regulation requirements to spend proceeds from allocated allowances consistent with the goals of AB 32 and to provide benefit to retail ratepayers in the form of GHG reduction.

Electric Utility Fund (091)

The Electric Utility Fund is managed by SVP and is the primary operating fund for electric utility service provided to City customers. SVP provides these services on a user charge basis to residences, businesses, and industrial customers, including large data centers.

The primary revenue source in the Electric Utility Fund is electric rates which are approved by the City Council. SVP typically submits a recommendation for rate increases annually. The rate increase recommendation is based on SVP's ten-year forecast which includes SVP's revenue and expenditure projections to cover operating costs, reserve requirements, debt service, capital improvement projects, and other legal obligations. Electric rate increases have been relatively stable historically, so customers, both large and small, have been able to budget their electric usage to support their long-term operations. At the same time, for low-income customers who have difficulty absorbing the rate increases, SVP continues to offer financial assistance and also offers energy conservation programs and rebates to help all customers reduce their electricity usage. For purposes of the FY 2023/24 budget, SVP assumed a rate increase of 5% on July 1, 2023 and an additional rate increase of 7% on January 2024. For FY 2024/25, a 7% rate increase on January 2025 is estimated and will be reevaluated during FY 2023/24. Any proposed rate increase will be brought to City Council and, based on information available at that time, will include consideration of the expense drivers further described below.

SVP has over 59,000 customer accounts in the City: 85% residential, 11% commercial, 3% industrial, and <1% other. The proportion of revenue contribution is reversed: 92% of revenues are generated by industrial customers, 6% from residential customers, 2% from commercial customers, and < 1% from others. Industrial customers include many publicly listed technology companies headquartered in the City and data centers hosting servers for these companies. Load growth and forecasted energy sales are based on a combination of historical data and forward-looking opportunities, especially from large key industrial customers. Additional revenues are generated through wholesale energy sales, capacity sales, Congestion Revenue Rights (CRR), Renewable Energy Credits (RECs), and ancillary services. Given the high concentration of revenue generated from industrial customers, SVP's revenue growth prospect is highly correlated to Silicon Valley's economic growth.

SVP's primary expense drivers are electric supply and distribution costs. For FY 2023/24, 25% of power supply, after netting SVP's generation resources against SVP's load, is expected to be purchased from the California Independent System Operator (CAISO) market. Market purchase prices have a very high positive correlation with natural gas prices and are subject to the same volatility. If natural gas prices spike, higher than forecasted prices to procure power from the market would be expected. The transmission access rates that applies to electric energy that SVP receives via the PG&E transmission system are expected to increase year over year. PG&E needs to collect the transmission fees to fund the growing cost of maintenance and infrastructure improvements to the transmission grid. In addition, a significant part of SVP's electric distribution cost is the capital improvement needed for the aged system. These capital costs are also expected to increase due to higher commodities costs caused by supply chain issues across the world.

Per the budget policy, this fund includes reserves for Rate Stabilization, Operations and Maintenance, Infrastructure, Special Projects (as needed), and Pension Stabilization.

Sewer Utility Fund (094)

This fund is managed by the Water and Sewer Utilities Department and accounts for the maintenance of the City's sewer lines and related facilities. The Department provides these services on a user charge basis to residences and businesses.

Each operating budget cycle, the Department develops a ten-year forecast based on their revenue and expenditure projections. Revenue in the Sewer Utility Fund are dictated by the utility rates approved by the City Council and the actual water usage by residences and businesses. An annual rate study is conducted by a third-party consultant selected by the Water and Sewer Utilities Department; this information is then used to determine both revenue and expenditure projections in the forecast. Revenue projections are based on a trend analysis and take into consideration historical data and anticipated activity and reflect proposed rate increases. The Department will be bringing forward the proposed rates for City Council approval on June 6, 2023. If approved, the rates will be effective beginning July 1, 2023. Anticipated expenditures also play a role in the development of the revenue projections. Expenditure projections are based on historical data and the capital project needs approved in the City's Capital Improvement Program budget. Additionally, the City co-owns the Regional Wastewater Facility with the City of San José. Estimates are provided by the City of San José for Santa Clara's share of the facility rebuild, and these estimates are also used in determining the expenditure projections in the Sewer Utility Fund.

Per the budget policy, this fund includes reserves for Rate Stabilization, Operations and Maintenance, Infrastructure, and Pension Stabilization. It also includes a Replacement and Improvement Reserve.

Solid Waste Fund (096)

This fund is managed by the Public Works Department and accounts for the administration of the City's garbage and rubbish collection service, including street sweeping, household hazardous waste, and Clean-Up Campaign services. The revenue projections are based on anticipated increases in garbage rates due to increases in agreements for exclusive franchise garbage and yard waste collection and solid waste processing services. The department brings rate increases forward to Council and, once approved, rates will be effective beginning July 1, 2023.

Per the budget policy, this fund includes reserves for Rate Stabilization, Operations and Maintenance, and Pension Stabilization.

Water Recycling Fund (097)

This fund is managed by the Water and Sewer Utilities Department and accounts for the ongoing maintenance and operations of the City of Santa Clara's wastewater reclamation system. The Department provides these services on a user charge basis from the sale of non-potable water for irrigation and landscaping.

Each operating budget cycle, the Department develops a ten-year forecast with their revenue and expenditure projections. Revenue in the Water Recycling Program Fund are dictated by the utility rates approved by the City Council and the actual water usage by residences and businesses. An annual rate study is conducted by a third-party consultant selected by the Water and Sewer Utilities Department; this information is then used to determine both revenue and expenditure projections in the forecast. Revenue projections are based on a trend analysis and take into consideration historical data and anticipated activity and reflect proposed rate increases. The Department will be bringing forward the proposed rates for City Council approval on June 6, 2023. If approved, the rates will be effective beginning July 1, 2023. Anticipated expenditures also play a role in the development of the revenue projections. Expenditure projections are based on historical data and capital projects needs approved in the City's Capital Improvement Program budget.

Per the budget policy, this fund includes reserves for Rate Stabilization, Operations and Maintenance, Infrastructure, and Pension Stabilization.

Water Utility Fund (092)

This fund is managed by the Water and Sewer Utilities Department and accounts for the operation of the City's water utility services. The Department provides these services on a user charge basis to residences and businesses.

Each operating budget cycle, the Department develops a ten-year forecast with their revenue and expenditure projections. Revenue in the Water Utility Fund are dictated by the utility rates approved by the City Council and the actual water usage by residences and businesses. An annual rate study is conducted by a third-party consultant selected by the Water and Sewer Utilities Department; this information is then used to determine both revenue and expenditure projections in the forecast. Revenue projections are based on a trend analysis and take into consideration historical data and anticipated activity and reflect proposed rate increases. The Department will be bringing forward the proposed rates for City Council approval on June 6, 2023. If approved, the rates will be effective beginning July 1, 2023. Anticipated expenditures also play a role in the development of the revenue projections. Expenditure projections are based on historical data and capital projects needs approved in the City's Capital Improvement Program Budget.

Per the adopted budget policy, this fund includes reserves for Rate Stabilization, Operations and Maintenance, Infrastructure, and Pension Stabilization. It also includes a Replacement and Improvement Reserve and a Water Conservation Reserve.

The following section details the City of Santa Clara's Enterprise Funds' Statements of Sources and Uses and the Proposed Budget for Fiscal Year 2023/24 and Fiscal Year 2024/25.

ENTERPRISE FUNDS | CEMETERY FUND (093)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Unrestricted	186,317	398,384	398,384	350,118	391,447
Total Beginning Fund Balance	186,317	398,384	398,384	350,118	391,447
Revenue					
Other Agencies Revenue	1,983	0	0	0	0
Other Fees for Services	759,085	600,000	600,000	750,000	750,000
Other Revenue	7,865	0	0	0	0
Total Revenue	768,933	600,000	600,000	750,000	750,000
Transfers From					
General Fund	850,000	870,000	870,000	796,000	823,000
Endowment Care Fund	29,663	28,000	28,000	30,000	30,000
Perpetual Care Fund	558	500	500	500	500
Total Transfers From	880,221	898,500	898,500	826,500	853,500
Total Source of Funds	1,835,471	1,896,884	1,896,884	1,926,618	1,994,947
Expenditures					
Salaries	513,797	508,062	508,062	510,578	533,503
Retirement and Benefits	324,604	312,127	312,127	334,483	350,088
Materials/Services/Supplies	275,967	383,433	383,433	395,945	408,899
Services From Other Funds - Cost Allocation Plan	129,713	132,307	132,307	132,888	135,546
Interfund Services	191,865	210,015	210,015	160,455	162,230
Capital Outlay	319	0	0	0	0
Total Expenditures	1,436,265	1,545,944	1,545,944	1,534,349	1,590,266
Transfers To					
General Government Capital Fund	822	822	822	822	822
Total Transfers To	822	822	822	822	822
Ending Fund Balance					
Unrestricted	398,384	350,118	350,118	391,447	403,859
Total Ending Fund Balance	398,384	350,118	350,118	391,447	403,859
Total Use of Funds	1,835,471	1,896,884	1,896,884	1,926,618	1,994,947



ENTERPRISE FUNDS | CONVENTION CENTER ENTERPRISE FUND (860)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	143,247	127,347	127,347	127,347	127,347
Operating Surplus	0	0	0	0	104,169
Restricted - Levy	0	192,952	192,952	192,952	192,952
Unrestricted	2,034,341	2,581,215	2,581,215	1,808,176	1,264,195
Total Beginning Fund Balance	2,177,588	2,901,514	2,901,514	2,128,475	1,688,663
Revenue					
Levy Investment	1,764,000	0	0	0	0
Charges for Services	6,447,482	0	0	0	0
Rents	2,068,329	0	0	0	0
Interest	2,754	0	0	0	0
Event Revenue	0	13,530,685	13,530,685	15,500,000	18,000,000
Other Revenue	54,930	72,950	72,950	163,770	193,014
Total Revenue	10,337,495	13,603,635	13,603,635	15,663,770	18,193,014
Total Source of Funds	12,515,083	16,505,149	16,505,149	17,792,245	19,881,677
Expenditures					
Salaries	184,923	186,593	186,593	145,069	154,092
Retirement and Benefits	125,581	99,130	99,130	73,329	76,945
Materials/Services/Supplies	105,950	45,000	45,000	45,000	0
Interfund Services	2,277	224,601	224,601	280,583	286,195
Event Expense	2,950,346	8,318,461	8,318,461	9,278,497	10,718,782
Indirect Expense	4,480,492	5,502,889	5,502,889	6,281,104	7,048,430
Total Expenditures	7,849,569	14,376,674	14,376,674	16,103,582	18,284,444
Transfers To					
Public Buildings Capital Fund	1,764,000	0	0	0	0
Total Transfers To	1,764,000	0	0	0	0
Ending Fund Balance					
Encumbrance Carryover	127,347	127,347	127,347	127,347	127,347
Operating Surplus	0	0	0	104,169	425,802
Restricted - Levy	192,952	192,952	192,952	192,952	192,952
Unrestricted	2,581,215	1,808,176	1,808,176	1,264,195	851,132
Total Ending Fund Balance	2,901,514	2,128,475	2,128,475	1,688,663	1,597,233
Total Use of Funds	12,515,083	16,505,149	16,505,149	17,792,245	19,881,677

ENTERPRISE FUNDS | ELECTRIC OPERATING GRANT TRUST FUND (191)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Public Benefits	45,163,299	50,327,692	50,327,692	50,108,343	50,009,732
Low Carbon Fuel	5,591,086	3,660,449	3,660,449	2,807,181	2,830,795
Greenhouse Gas	5,031,510	16,309,517	16,309,517	19,837,005	14,837,005
Total Beginning Fund Balance	55,785,895	70,297,658	70,297,658	72,752,529	67,677,532
Revenue					
Charges for Services	14,223,249	15,685,184	15,901,640	18,205,028	20,400,486
Low Carbon Fuel	0	3,120,024	0	3,137,602	3,055,800
Greenhouse Gas	19,826,637	14,954,745	21,600,488	16,450,804	16,653,781
Other Revenue	24,655	46,474	46,474	48,800	54,000
Total Revenue	34,074,541	33,806,427	37,548,602	37,842,234	40,164,067
Transfers From					
Electric Utility Capital Fund	200,082	126,839	126,839	0	0
Total Transfers From	200,082	126,839	126,839	0	0
Total Source of Funds	90,060,518	104,230,924	107,973,099	110,594,763	107,841,599
Expenditures					
Salaries	394,538	920,049	582,000	971,645	1,032,128
Retirement and Benefits	263,930	476,265	431,000	490,326	518,676
Materials/Services/Supplies	1,871,920	3,724,520	1,500,000	3,442,600	3,528,800
Mandated Program Costs	4,113,973	13,199,575	1,700,000	14,466,200	15,382,400
Services From Other Funds - Cost Allocation Plan	189,013	192,793	192,793	205,323	209,429
Contribution In Lieu	712,395	784,259	795,082	910,251	1,020,024
Interfund Services	85,753	103,813	103,813	8,364	8,306
Total Expenditures	7,631,522	19,401,274	5,304,688	20,494,709	21,699,763
Transfers To					
Electric Utility Fund	6,760,648	23,513,213	23,513,213	19,637,522	9,594,417
Electric Utility Capital Fund	4,851,839	4,702,669	4,702,669	1,000,000	1,000,000
Streets and Highway Capital Fund	400,000	400,000	400,000	285,000	515,000
Parks and Recreation Capital Fund	0	300,000	300,000	0	0
Vehicle Replacement Fund	118,851	1,726,988	1,000,000	1,500,000	1,500,000
Total Transfers To	12,131,338	30,642,870	29,915,882	22,422,522	12,609,417



ENTERPRISE FUNDS | ELECTRIC OPERATING GRANT TRUST FUND (191)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Ending Fund Balance					
Public Benefits	50,327,692	44,528,439	50,108,343	50,009,732	55,839,365
Low Carbon Fuel	3,660,449	3,657,181	2,807,181	2,830,795	2,856,049
Greenhouse Gas	16,309,517	6,001,160	19,837,005	14,837,005	14,837,005
Total Ending Fund Balance	70,297,658	54,186,780	72,752,529	67,677,532	73,532,419
Total Use of Funds	90,060,518	104,230,924	107,973,099	110,594,763	107,841,599

ENTERPRISE FUNDS | ELECTRIC UTILITY FUND (091)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	1,870,818	2,460,670	2,460,670	2,460,670	2,460,670
Infrastructure Reserve	55,354,340	0	0	0	0
Operations and Maintenance Reserve	107,900,786	118,765,556	118,765,556	138,891,417	141,135,713
Pension Trust Reserve	6,808,996	6,146,358	6,146,358	7,066,429	7,066,429
Rate Stabilization Reserve	44,356,590	48,776,613	48,776,613	53,705,758	63,877,292
Trading Restricted Reserve	5,522,664	19,518,954	19,518,954	9,518,954	9,518,954
Unrestricted	104,577,395	127,141,220	127,141,220	76,261,646	72,526,687
Total Beginning Fund Balance	326,391,589	322,809,371	322,809,371	287,904,874	296,585,745
Revenue					
Charges for Services	499,790,175	550,287,325	557,856,599	638,272,920	715,606,515
Other Fees for Services	2,038,085	3,034,130	2,019,877	1,225,000	1,250,000
Other Agencies Revenue	1,419,797	0	0	0	0
Interest	5,659,664	5,569,490	6,671,038	8,549,701	9,778,265
Rents	3,596,115	3,616,685	3,550,100	3,569,200	3,668,000
Wholesale Revenue	27,099,185	30,249,529	20,802,635	10,883,206	14,456,109
Restricted Revenues	2,024,100	1,572,313	2,258,566	545,550	545,550
Other Revenue	698,333	1,289,337	21,040,387	2,084,400	2,345,100
Total Revenue	542,325,454	595,618,809	614,199,202	665,129,977	747,649,539
Transfers From					
Electric Operating Grant Trust Fund	6,760,648	23,513,213	23,513,213	19,637,522	9,594,417
Electric Utility Capital Fund	0	10,761,450	10,761,450	0	0
Street Lighting Capital Fund	0	2,075,000	2,075,000	0	0
Total Transfers From	6,760,648	36,349,663	36,349,663	19,637,522	9,594,417
Total Source of Funds	875,477,691	954,777,843	973,358,236	972,672,373	1,053,829,701
Expenditures					
Salaries	30,173,103	40,845,681	37,499,428	47,313,083	50,520,892
Retirement and Benefits	15,337,397	19,929,183	15,750,220	21,842,575	23,186,814
Materials/Services/Supplies	27,324,133	34,677,779	33,494,962	43,836,984	43,627,374
Resource/Production	407,115,829	428,265,146	475,345,599	468,625,508	493,411,107
Services From Other Funds - Cost Allocation Plan	7,912,091	8,070,333	8,070,333	8,770,238	8,945,643
Interfund Services	5,906,226	6,770,228	6,770,228	3,240,390	3,284,487
Contribution In Lieu	26,546,773	28,539,968	29,767,117	33,061,163	36,558,109
Capital Outlay	299,963	1,717,619	1,472,167	127,000	137,000
Total Expenditures	520,615,515	568,815,937	608,170,054	626,816,941	659,671,426

ENTERPRISE FUNDS | ELECTRIC UTILITY FUND (091)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Transfers To					
General Fund	1,059,733	1,229,573	1,229,573	349,749	373,736
General Government Capital Fund	596,323	204,323	204,323	596,323	596,323
Streets and Highways Capital Fund	90,000	0	0	0	0
Street Lighting Capital Fund	0	71,455	71,455	125,000	4,175,000
Electric Utility Capital Fund	14,000,865	59,229,040	59,229,040	13,919,559	51,032,674
Electric Debt Service Fund	16,305,884	16,548,917	16,548,917	34,279,056	36,296,170
Total Transfers To	32,052,805	77,283,308	77,283,308	49,269,687	92,473,903
Ending Fund Balance					
Encumbrance Carryover	2,460,670	2,460,670	2,460,670	2,460,670	2,460,670
Operations and Maintenance Reserve	118,765,556	138,891,417	138,891,417	141,135,713	137,521,061
Pension Trust Reserve	6,146,358	7,066,429	7,066,429	7,066,429	7,353,348
Rate Stabilization Reserve	48,776,613	53,705,758	53,705,758	63,877,292	71,580,652
Trading Restricted Reserve	19,518,954	19,518,954	9,518,954	9,518,954	9,518,954
Unrestricted	127,141,220	87,035,370	76,261,646	72,526,687	73,249,687
Total Ending Fund Balance	322,809,371	308,678,598	287,904,874	296,585,745	301,684,372
Total Use of Funds	875,477,691	954,777,843	973,358,236	972,672,373	1,053,829,701

ENTERPRISE FUNDS | SEWER UTILITY FUND (094)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	141,935	221,648	221,648	221,648	221,648
Replacement and Improvement Reserve	1,507,553	1,507,553	1,507,553	1,507,553	1,507,553
Rate Stabilization Reserve	2,395,030	2,395,030	2,395,030	2,395,030	4,248,070
Operations and Maintenance Reserve	1,835,079	1,835,079	1,835,079	1,835,079	8,348,279
Infrastructure Reserve	1,596,928	1,596,928	1,596,928	1,596,928	4,793,175
Pension Stabilization Reserve	557,998	595,654	595,654	683,361	683,361
Reserve for Settlements	0	0	0	3,000,000	3,000,000
Unrestricted	21,494,953	39,725,080	39,725,080	8,313,100	6,394,530
Total Beginning Fund Balance	29,529,476	47,876,972	47,876,972	19,552,699	29,196,616
Revenue					
Other Agencies Revenue	12,896,608	350,000	4,660,000	375,000	375,000
Charges for Services	40,517,221	39,400,000	39,400,000	42,480,700	46,419,300
Other Fees for Services	48,616	98,345	98,345	20,000	20,000
Interest	270,762	565,000	565,000	579,125	593,603
Rents	56,614	46,000	46,000	46,000	46,000
Other Revenue	187,025	0	0	0	0
Total Revenue	53,976,846	40,459,345	44,769,345	43,500,825	47,453,903
Transfers From					
Electric Utility Capital Fund	186,108	0	0	0	0
Total Transfers From	186,108	0	0	0	0
Total Source of Funds	83,692,430	88,336,317	92,646,317	63,053,524	76,650,519
Expenditures					
Salaries	2,280,991	3,021,846	3,021,846	2,953,194	3,129,812
Retirement and Benefits	1,281,064	1,666,204	1,666,204	1,686,176	1,790,270
Right of Way Rental Expense	1,719,147	1,805,104	1,805,104	2,124,035	2,320,965
Materials/Services/Supplies	723,815	1,582,535	1,582,535	602,118	603,789
Resource/Production	19,122,480	19,332,885	19,332,885	19,885,543	20,504,364
Services From Other Funds	25,168	25,168	25,168	0	0
Services From Other Funds - Cost Allocation Plan	1,372,823	1,400,279	1,400,279	1,500,450	1,530,459
Interfund Services	1,176,069	1,127,347	1,127,347	1,187,892	1,205,123
Capital Outlay	0	1,200,000	1,200,000	0	0
Total Expenditures	27,701,557	31,161,368	31,161,368	29,939,408	31,084,782
Transfers To					
General Government Capital Fund	50,278	4,278	4,278	50,278	50,278
Sewer Utility Capital Fund	5,611,748	35,844,913	40,090,522	3,867,222	18,047,101



ENTERPRISE FUNDS | SEWER UTILITY FUND (094)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Transfers To					
Water Utility Capital Fund	500,000	0	0	0	0
Sewer Utility Debt Service Fund	1,889,035	1,837,450	1,837,450	0	1,050,000
Streets and Highways Capital Fund	62,840	0	0	0	0
Total Transfers To	8,113,901	37,686,641	41,932,250	3,917,500	19,147,379
Ending Fund Balance					
Encumbrance Carryover	221,648	221,648	221,648	221,648	221,648
Replacement and Improvement Reserve	1,507,553	1,507,553	1,507,553	1,507,553	1,507,553
Rate Stabilization Reserve	2,395,030	2,395,030	2,395,030	4,248,070	4,641,930
Operations and Maintenance Reserve	1,835,079	1,835,079	1,835,079	8,348,279	8,348,279
Infrastructure Reserve	1,596,928	1,596,928	1,596,928	4,793,175	4,793,175
Pension Stabilization Reserve	595,654	683,361	683,361	683,361	700,969
Reserve for Settlements	0	3,000,000	3,000,000	3,000,000	3,000,000
Unrestricted	39,725,080	8,248,709	8,313,100	6,394,530	3,204,804
Total Ending Fund Balance	47,876,972	19,488,308	19,552,699	29,196,616	26,418,358
Total Use of Funds	83,692,430	88,336,317	92,646,317	63,053,524	76,650,519

ENTERPRISE FUNDS | SOLID WASTE FUND (096)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	3,657,533	3,533,566	3,533,566	3,533,566	3,533,566
Operations and Maintenance Reserve	2,675,520	2,675,520	2,675,520	2,675,520	2,140,037
Pension Trust Reserve	305,929	288,662	288,662	288,662	309,291
Rate Stabilization Reserve	1,756,597	1,597,768	1,597,768	1,765,150	1,765,150
Unrestricted	0	2,485,895	2,485,895	2,464,422	3,276,354
Total Beginning Fund Balance	8,395,579	10,581,411	10,581,411	10,727,320	11,024,398
Revenue					
Other Agencies Revenue	400,504	297,000	297,000	219,000	219,000
Interest	(32,225)	0	0	0	0
Charges for Services	2,479,848	2,896,000	2,896,000	2,786,000	2,792,160
Other Fees for Services	31,494,034	34,052,092	34,052,092	36,572,957	38,035,355
Other Revenue	110,802		0	0	0
Total Revenue	34,452,963	37,245,092	37,245,092	39,577,957	41,046,515
Transfers From					
General Fund	33,600	35,364	35,364	35,364	35,364
Total Transfers From	33,600	35,364	35,364	35,364	35,364
Total Source of Funds	42,882,142	47,861,867	47,861,867	50,340,641	52,106,277
Expenditures					
Salaries	900,073	919,457	919,457	991,086	1,039,824
Retirement and Benefits	485,952	479,020	479,020	530,377	556,306
Materials/Services/Supplies	1,276,315	2,430,196	2,430,196	2,489,695	2,534,290
Contribution in Lieu	683,376	721,621	721,621	841,888	875,563
Resource/Production	26,388,818	29,764,785	29,764,785	31,502,632	32,762,738
Services From Other Funds - Cost Allocation Plan	1,363,802	1,391,078	1,391,078	1,428,611	1,457,183
Interfund Services	925,774	930,269	930,269	998,333	1,009,749
Total Expenditures	32,024,110	36,636,426	36,636,426	38,782,622	40,235,653
Transfers To					
General Government Capital Fund	26,621	5,121	5,121	26,621	26,621
Solid Waste Capital Fund	250,000	493,000	493,000	507,000	523,000
Total Transfers To	276,621	498,121	498,121	533,621	549,621



ENTERPRISE FUNDS | SOLID WASTE FUND (096)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Ending Fund Balance					
Encumbrance Carryover	3,533,566	3,533,566	3,533,566	3,533,566	3,533,566
Operations and Maintenance Reserve	2,675,520	2,675,520	2,675,520	2,140,037	2,279,857
Pension Trust Reserve	288,662	288,662	288,662	309,291	343,657
Rate Stabilization Reserve	1,597,768	1,765,150	1,765,150	1,765,150	1,765,150
Unrestricted	2,485,895	2,464,422	2,464,422	3,276,354	3,398,773
Total Ending Fund Balance	10,581,411	10,727,320	10,727,320	11,024,398	11,321,003
Total Use of Funds	42,882,142	47,861,867	47,861,867	50,340,641	52,106,277

ENTERPRISE FUNDS | WATER RECYCLING FUND (097)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Rate Stabilization Reserve	2,327,420	1,037,596	1,037,596	2,327,420	2,327,420
Operations and Maintenance Reserve	1,467,571	2,062,738	2,062,738	2,262,095	2,262,095
Infrastructure Reserve	943,180	50,000	50,000	51,500	51,500
Pension Stabilization Reserve	70,450	108,715	108,715	124,092	124,092
Unrestricted	780,484	3,204,308	3,204,308	1,867,561	1,301,845
Total Beginning Fund Balance	5,589,105	6,463,357	6,463,357	6,632,668	6,066,952
Revenue					
Other Agencies Revenue	680,530	350,000	350,000	350,000	350,000
Charges for Services	5,699,560	5,200,000	5,850,000	7,203,200	8,126,000
Other Fees for Services	6,133	0	0	0	0
Interest	99,991	92,882	92,882	95,668	98,538
Other Revenue	5,393	65,564	65,564	20,000	20,000
Total Revenue	6,491,607	5,708,446	6,358,446	7,668,868	8,594,538
Transfers From					
Recycled Water Capital Fund	0	0	1,300,000	0	0
Total Transfers From	0	0	1,300,000	0	0
Total Source of Funds	12,080,712	12,171,803	14,121,803	14,301,536	14,661,490
Expenditures					
Salaries	259,198	392,754	392,754	576,190	613,949
Retirement and Benefits	201,458	224,723	224,723	330,642	353,173
Right of Way Rental Expense	289,498	255,256	255,256	360,160	406,300
Materials/Services/Supplies	36,933	38,424	38,424	38,373	39,067
Resource/Production	4,657,988	4,700,000	6,450,000	6,815,600	7,974,400
Services From Other Funds - Cost Allocation Plan	89,984	91,784	91,784	86,874	88,611
Interfund Services	32,296	36,194	36,194	26,745	27,367
Total Expenditures	5,567,355	5,739,135	7,489,135	8,234,584	9,502,867
Transfers To					
Recycled Water Capital Fund	50,000	0	0	0	0
Total Transfers To	50,000	0	0	0	0



ENTERPRISE FUNDS | WATER RECYCLING FUND (097)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Ending Fund Balance					
Rate Stabilization Reserve	1,037,596	2,327,420	2,327,420	2,327,420	2,327,420
Operations and Maintenance Reserve	2,062,738	2,262,095	2,262,095	2,262,095	2,262,095
Infrastructure Reserve	50,000	51,500	51,500	51,500	51,500
Pension Stabilization Reserve	108,715	124,092	124,092	124,092	124,092
Unrestricted	3,204,308	1,667,561	1,867,561	1,301,845	393,516
Total Ending Fund Balance	6,463,357	6,432,668	6,632,668	6,066,952	5,158,623
Total Use of Funds	12,080,712	12,171,803	14,121,803	14,301,536	14,661,490

ENTERPRISE FUNDS | WATER UTILITY FUND (092)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	382,643	1,615,796	1,615,796	1,615,796	1,615,796
Replacement and Improvement Reserve	303,090	303,090	303,090	303,090	303,090
Water Conservation Reserve	33,125	33,125	33,125	33,125	33,125
Rate Stabilization Reserve	2,519,347	1,099,800	1,099,800	750,000	5,823,460
Operations and Maintenance Reserve	4,135,580	3,135,580	3,135,580	2,435,580	7,435,580
Infrastructure Reserve	2,144,317	2,144,317	2,144,317	1,144,317	1,144,317
Pension Stabilization Reserve	1,422,251	1,267,460	1,267,460	1,402,813	1,402,813
Unrestricted	908,456	2,964,743	2,964,743	5,845,632	2,204,595
Total Beginning Fund Balance	11,848,809	12,563,911	12,563,911	13,530,353	19,962,776
Revenue					
Charges for Services	48,273,867	46,312,500	46,312,500	58,234,600	63,772,000
Other Agencies Revenue	476,665	0	0	0	0
Other Fees for Services	1,977,617	1,281,056	1,281,056	1,456,343	1,498,034
Interest	256,442	336,600	336,600	343,332	350,199
Rents	56,614	0	0	46,000	46,000
Other Revenue	642,434	428,364	428,364	646,215	667,601
Total Revenue	51,683,639	48,358,520	48,358,520	60,726,490	66,333,834
Transfers From					
Electric Utility Capital Fund	186,108	0	0	0	0
Total Transfers From	186,108	0	0	0	0
Total Source of Funds	63,718,556	60,922,431	60,922,431	74,256,843	86,296,610
Expenditures					
Salaries	4,242,625	5,955,685	5,955,685	5,778,639	6,119,324
Retirement and Benefits	2,836,218	3,355,979	3,355,979	3,323,705	3,519,720
Right of Way Rental Expense	2,092,986	2,197,635	2,197,635	2,907,480	3,184,200
Materials/Services/Supplies	2,815,155	2,987,943	2,987,943	3,448,394	3,519,687
Resource/Production	28,611,198	27,500,000	27,500,000	33,397,819	38,404,571
Services From Other Funds	25,168	25,168	25,168	0	0
Services From Other Funds - Cost Allocation Plan	2,796,434	2,852,363	2,852,363	2,963,626	3,022,899
Interfund Services	1,682,795	1,829,847	1,829,847	2,195,468	2,251,265
Capital Outlay	0	448,022	448,022	0	0
Total Expenditures	45,102,579	47,152,642	47,152,642	54,015,131	60,021,666
Transfers To					
General Government Capital Fund	158,936	119,436	119,436	158,936	158,936



ENTERPRISE FUNDS | WATER UTILITY FUND (092)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Transfers To					
Electric Utility Capital Fund	0	120,000	120,000	120,000	120,000
Streets and Highways Capital Fund	108,130	0	0	0	0
Water Utility Capital Fund	5,785,000	0	0	0	885,000
Total Transfers To	6,052,066	239,436	239,436	278,936	1,163,936
Ending Fund Balance					
Encumbrance Carryover	1,615,796	1,615,796	1,615,796	1,615,796	1,615,796
Replacement and Improvement Reserve	303,090	303,090	303,090	303,090	303,090
Water Conservation Reserve	33,125	33,125	33,125	33,125	33,125
Rate Stabilization Reserve	1,099,800	750,000	750,000	5,823,460	6,377,200
Operations and Maintenance Reserve	3,135,580	2,435,580	2,435,580	7,435,580	12,435,580
Infrastructure Reserve	2,144,317	1,144,317	1,144,317	1,144,317	1,144,317
Pension Stabilization Reserve	1,267,460	1,402,813	1,402,813	1,402,813	1,406,490
Unrestricted	2,964,743	5,845,632	5,845,632	2,204,595	1,795,410
Total Ending Fund Balance	12,563,911	13,530,353	13,530,353	19,962,776	25,111,008
Total Use of Funds	63,718,556	60,922,431	60,922,431	74,256,843	86,296,610

Internal Service Funds

This page is intentionally left blank.

INTERNAL SERVICE FUNDS

Internal Service Funds are used to finance and account for special activities and services performed by a designated department for other departments in the City on a cost reimbursement basis.

Communication Acquisitions Fund (048)

This fund is managed by the Police Department and accounts for the maintenance and replacement of communication equipment used by various City departments. The source of revenue for this fund is fees charged to the departments that require this type of maintenance and replacement. The City's current inventory of radios will no longer be serviceable by the end of December 2023. In order to address the critical replacement needs, the City is evaluating funding solutions and a potential phase-in approach, which will prioritize the replacement of all public safety radios initially, and other citywide radios as funding becomes available.

Fleet Operations Fund (053)

This fund is managed by the Department of Public Works and accounts for the maintenance of City-owned vehicles and equipment used by all departments. The source of revenue for this fund is fees charged to the departments requiring vehicle maintenance.

Information Technology Services Fund (045)

This fund was established in FY 2019/20 and managed by the Information Technology Department (ITD). This fund accounts for citywide costs associated with computer and telephone equipment replacement as well as other services including new or upgraded software, additional licenses for new users, and general information technology services provided to all City departments. The source of revenue for this fund is fees charged to the departments that require information technology services. There are several CIP projects managed by ITD that have been shifted from the General Government Capital Fund to this internal service fund, which include funding for cybersecurity and the replacement of network equipment and computers.

Public Works Capital Projects Management Fund (044)

This fund was established in FY 2019/20 and is managed by the Department of Public Works. This fund accounts for the Public Works staff time and non-personnel costs utilized to manage and work on specific capital improvement programs of the City. The source of revenue for this fund is fees charged to the departments requiring Public Works capital project services.

Special Liability Insurance Fund (082)

This fund accounts for liability exposures to the City, including general liability, errors and omissions, and employment practices. The Special Liability Fund covers claims costs and excess liability insurance costs. The source of revenue for this fund is charges to the departments citywide as well as transfers from the General Fund and Enterprise Funds.

Unemployment Insurance Fund (087)

This fund is managed by the Human Resources Department and accounts for the cost of unemployment insurance claims. The source of revenue for this fund is fees charged to the departments citywide.

Vehicle Replacement Fund (050)

This fund is managed by the Department of Public Works and accounts for the lifecycle, replacement, procurement, up-fit, and disposal of all vehicles used by City departments. The source of revenue for this fund is fees charged to the departments requiring these services.

Workers' Compensation Fund (081)

This fund is managed by the Human Resources Department and accounts for the costs of premiums, claims administration, and claims expenses related to injuries or illnesses sustained by members of the City's workforce. The source of revenue for this fund is fees charged to departments citywide. Department allocations are determined using actual workers' compensation claims history.

The following section details the City of Santa Clara's Internal Service Funds' Statements of Sources and Uses and the Proposed Budget for Fiscal Year 2023/24 and Fiscal Year 2024/25.



INTERNAL SERVICE FUNDS | COMMUNICATION ACQUISITIONS FUND (048)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Equipment Replacement Reserve	802,205	904,117	904,117	904,117	904,117
Unrestricted	766,231	874,656	874,656	874,656	874,656
Total Beginning Fund Balance	1,568,436	1,778,773	1,778,773	1,778,773	1,778,773
Revenue					
Other Fees for Services	584,334	829,358	829,358	995,232	1,013,568
Total Revenue	584,334	829,358	829,358	995,232	1,013,568
Total Source of Funds	2,152,770	2,608,131	2,608,131	2,774,005	2,792,341
Expenditures					
Capital Outlay	373,997	829,358	829,358	995,232	1,013,568
Total Expenditures	373,997	829,358	829,358	995,232	1,013,568
Ending Fund Balance					
Equipment Replacement Reserve	904,117	904,117	904,117	904,117	904,117
Unrestricted	874,656	874,656	874,656	874,656	874,656
Total Ending Fund Balance	1,778,773	1,778,773	1,778,773	1,778,773	1,778,773
Total Use of Funds	2,152,770	2,608,131	2,608,131	2,774,005	2,792,341



INTERNAL SERVICE FUNDS | FLEET OPERATIONS FUND (053)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	129,178	243,545	243,545	243,545	243,545
Unrestricted	801,933	956,561	956,561	767,934	766,094
Total Beginning Fund Balance	931,111	1,200,106	1,200,106	1,011,479	1,009,639
Revenue					
Other Agencies Revenue	10,211	2,531	2,531	4,000	4,080
Other Fees for Services	5,112,423	5,498,638	5,498,638	5,456,601	5,644,949
Other Revenue	0	1,913	1,913	0	0
Total Revenue	5,122,634	5,503,082	5,503,082	5,460,601	5,649,029
Total Source of Funds	6,053,745	6,703,188	6,703,188	6,472,080	6,658,668
Expenditures					
Salaries	1,419,364	1,682,032	1,682,032	1,666,175	1,740,606
Retirement and Benefits	905,760	1,065,165	1,065,165	1,081,416	1,134,633
Materials/Services/Supplies	2,204,025	2,667,672	2,667,672	2,573,010	2,630,570
Interfund Services	238,985	276,840	276,840	111,127	114,038
Services From Other Funds - Cost	0	0	0	30,713	31,327
Allocation Plan					
Capital Outlay	85,505	0	0	0	0
Total Expenditures	4,853,639	5,691,709	5,691,709	5,462,441	5,651,174
Ending Fund Balance					
Encumbrance Carryover	243,545	243,545	243,545	243,545	243,545
Unrestricted	956,561	767,934	767,934	766,094	763,949
Total Ending Fund Balance	1,200,106	1,011,479	1,011,479	1,009,639	1,007,494
Total Use of Funds	6,053,745	6,703,188	6,703,188	6,472,080	6,658,668



INTERNAL SERVICE FUNDS | INFORMATION TECHNOLOGY SERVICES FUND (045)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	1,049,099	2,917,529	2,917,529	2,917,529	2,917,529
Unrestricted	1,056,791	958,443	958,443	453,562	453,562
Total Beginning Fund Balance	2,105,890	3,875,972	3,875,972	3,371,091	3,371,091
Revenue					
Other Revenue	38	0	0	0	0
Other Agencies Revenue	2,842	0	0	0	0
Other Fees for Services	12,061,858	12,259,626	12,259,626	13,094,932	12,956,944
Total Revenue	12,064,738	12,259,626	12,259,626	13,094,932	12,956,944
Total Source of Funds	14,170,628	16,135,598	16,135,598	16,466,023	16,328,035
Expenditures					
Salaries	1,336,175	1,210,335	1,210,335	1,444,229	1,515,887
Retirement and Benefits	546,038	641,247	641,247	632,518	662,865
Materials/Services/Supplies	8,355,244	10,793,452	10,793,452	10,966,725	10,726,677
Interfund Services	57,199	69,473	69,473	1,460	1,515
Capital Outlay	0	50,000	50,000	50,000	50,000
Total Expenditures	10,294,656	12,764,507	12,764,507	13,094,932	12,956,944
Ending Fund Balance					
Encumbrance Carryover	2,917,529	2,917,529	2,917,529	2,917,529	2,917,529
Unrestricted	958,443	453,562	453,562	453,562	453,562
Total Ending Fund Balance	3,875,972	3,371,091	3,371,091	3,371,091	3,371,091
Total Use of Funds	14,170,628	16,135,598	16,135,598	16,466,023	16,328,035



INTERNAL SERVICE FUNDS | PUBLIC WORKS CAPITAL PROJECTS MANAGEMENT FUND (044)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	380,122	689,300	689,300	689,300	689,300
Unrestricted	184,495	83,232	83,232	0	0
Total Beginning Fund Balance	564,617	772,532	772,532	689,300	689,300
Revenue					
Other Fees for Services	3,962,714	3,962,226	3,962,226	4,111,656	4,362,916
Total Revenue	3,962,714	3,962,226	3,962,226	4,111,656	4,362,916
Total Source of Funds	4,527,331	4,734,758	4,734,758	4,800,956	5,052,216
Expenditures					
Salaries	2,010,908	2,077,440	2,077,440	2,181,758	2,327,172
Retirement and Benefits	962,417	1,162,993	1,162,993	1,239,127	1,331,707
Materials/Services/Supplies	127,439	450,002	450,002	459,000	468,001
Services From Other Funds - Cost Allocation Plan	105,307	107,413	107,413	201,868	205,905
Interfund Services	140,481	164,378	164,378	29,903	30,131
Total Expenditures	3,346,552	3,962,226	3,962,226	4,111,656	4,362,916
Transfers To					
General Fund	364,739	60,420	60,420	0	0
Sewer Utility Capital Fund	43,508	22,812	22,812	0	0
Total Transfers To	408,247	83,232	83,232	0	0
Ending Fund Balance					
Encumbrance Carryover	689,300	689,300	689,300	689,300	689,300
Unrestricted	83,232	0	0	0	0
Total Ending Fund Balance	772,532	689,300	689,300	689,300	689,300
Total Use of Funds	4,527,331	4,734,758	4,734,758	4,800,956	5,052,216



INTERNAL SERVICE FUNDS | SPECIAL LIABILITY INSURANCE FUND (082)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	711,865	588,364	588,364	588,364	588,364
Reserve for Future Claims	3,288,135	6,488,135	6,488,135	8,622,192	9,000,000
Unrestricted	51,526	2,481,861	2,481,861	1,004,929	627,121
Total Beginning Fund Balance	4,051,526	9,558,360	9,558,360	10,215,485	10,215,485
Revenue					
Other Fees for Services	7,070,567	9,554,000	9,554,000	6,195,000	6,497,000
Other Agencies Revenue	264,615	0	0	0	0
Interest	37	0	0	0	0
Other Revenue	338,465	0	17,125	0	0
Total Revenue	7,673,684	9,554,000	9,571,125	6,195,000	6,497,000
Transfers From					
General Fund	5,200,000	0	0	0	0
Total Transfers From	5,200,000	0	0	0	0
Total Source of Funds	16,925,210	19,112,360	19,129,485	16,410,485	16,712,485
Expenditures					
Claims Payments	2,167,791	1,500,000	2,000,000	2,250,000	2,250,000
Consultant and Administration Costs	643,225	1,957,000	1,457,000	1,155,000	1,178,000
Insurance Premiums	4,555,834	6,097,000	5,457,000	2,790,000	3,069,000
Total Expenditures	7,366,850	9,554,000	8,914,000	6,195,000	6,497,000
Ending Fund Balance					
Encumbrance Carryover	588,364	588,364	588,364	588,364	588,364
Reserve for Future Claims	6,488,135	8,622,192	8,622,192	9,000,000	9,000,000
Unrestricted	2,481,861	347,804	1,004,929	627,121	627,121
Total Ending Fund Balance	9,558,360	9,558,360	10,215,485	10,215,485	10,215,485
Total Use of Funds	16,925,210	19,112,360	19,129,485	16,410,485	16,712,485



INTERNAL SERVICE FUNDS | UNEMPLOYMENT INSURANCE FUND (087)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Unrestricted	135,564	414,972	414,972	315,585	210,585
Total Beginning Fund Balance	135,564	414,972	414,972	315,585	210,585
Revenue					
Other Fees for Services	326,227	0	0	0	0
Other Agencies Revenue	55,984	0	613	0	0
Total Revenue	382,211	0	613	0	0
Total Source of Funds	517,775	414,972	415,585	315,585	210,585
Expenditures					
Materials/Services/Supplies	102,803	150,000	100,000	105,000	110,000
Total Expenditures	102,803	150,000	100,000	105,000	110,000
Ending Fund Balance					
Unrestricted	414,972	264,972	315,585	210,585	100,585
Total Ending Fund Balance	414,972	264,972	315,585	210,585	100,585
Total Use of Funds	517,775	414,972	415,585	315,585	210,585



INTERNAL SERVICE FUNDS | VEHICLE REPLACEMENT FUND (050)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Encumbrance Carryover	2,633,927	3,852,140	3,852,140	3,852,140	3,852,140
Equipment Replacement Reserve	3,358,032	3,611,023	3,611,023	3,611,023	3,611,023
Unrestricted	3,272,336	3,352,337	3,352,337	5,010,496	8,465,159
Total Beginning Fund Balance	9,264,295	10,815,500	10,815,500	12,473,659	15,928,322
Revenue					
Other Fees for Services	3,452,911	3,737,758	3,737,758	4,494,663	4,651,978
Other Revenue	203,607	80,000	80,000	249,600	100,000
Total Revenue	3,656,518	3,817,758	3,817,758	4,744,263	4,751,978
Transfers From					
Electric Operating Grant Fund	118,851	1,726,988	1,726,988	1,500,000	1,500,000
General Fund	814,310	2,000,000	2,000,000	0	0
Water Utility Fund	0	300,000	300,000	0	0
Total Transfers From	933,161	4,026,988	4,026,988	1,500,000	1,500,000
Total Source of Funds	13,853,974	18,660,246	18,660,246	18,717,922	22,180,300
Expenditures					
Capital Outlay	1,959,623	4,534,587	4,826,587	2,235,000	4,711,000
Electric Vehicle Replacements	118,851	400,000	400,000	405,000	0
Total Expenditures	2,078,474	4,934,587	5,226,587	2,640,000	4,711,000
Transfers To					
General Fund	960,000	960,000	960,000	149,600	0
Total Transfers To	960,000	960,000	960,000	149,600	0
Ending Fund Balance					
Encumbrance Carryover	3,852,140	3,852,140	3,852,140	3,852,140	3,852,140
Equipment Replacement Reserve	3,611,023	3,611,023	3,611,023	3,611,023	3,611,023
Unrestricted	3,352,337	5,302,496	5,010,496	8,465,159	10,006,137
Total Ending Fund Balance	10,815,500	12,765,659	12,473,659	15,928,322	17,469,300
Total Use of Funds	13,853,974	18,660,246	18,660,246	18,717,922	22,180,300



INTERNAL SERVICE FUNDS | WORKERS' COMPENSATION FUND (081)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Reserve for Future Claims	2,591,044	2,591,044	2,591,044	3,816,791	8,500,000
Unrestricted	4,158,482	5,865,129	5,865,129	5,324,382	641,173
Total Beginning Fund Balance	6,749,526	8,456,173	8,456,173	9,141,173	9,141,173
Revenue					
Other Fees for Services	5,642,210	5,835,000	5,835,000	6,097,000	6,327,000
Other Revenue	1,121,068	0	250,000	0	0
Total Revenue	6,763,278	5,835,000	6,085,000	6,097,000	6,327,000
Total Source of Funds	13,512,804	14,291,173	14,541,173	15,238,173	15,468,173
Expenditures					
Materials/Services/Supplies	4,006,010	4,858,000	4,300,000	4,750,000	4,845,000
Interfund Services	1,050,621	1,231,000	1,100,000	1,347,000	1,482,000
Total Expenditures	5,056,631	6,089,000	5,400,000	6,097,000	6,327,000
Ending Fund Balance					
Reserve for Future Claims	2,591,044	3,816,791	3,816,791	8,500,000	8,500,000
Unrestricted	5,865,129	4,385,382	5,324,382	641,173	641,173
Total Ending Fund Balance	8,456,173	8,202,173	9,141,173	9,141,173	9,141,173
Total Use of Funds	13,512,804	14,291,173	14,541,173	15,238,173	15,468,173

Capital Improvement Program Funds

This page is intentionally left blank.

CAPITAL IMPROVEMENT PROGRAM FUNDS

Capital Improvement Program Funds are established to account for specific revenues and expenditures that are earmarked for major improvements to the City's infrastructure, replacements and upgrades to City assets, and improvements and upgrades to the City's utilities. The City of Santa Clara has various capital funds set up for different types of capital projects.

Cemetery Capital Fund (593)

The capital projects included in this fund are related to construction, engineering, repairs, and design of the two City-owned cemeteries.

City Affordable Housing Capital Fund (565)

As part of the Report to Council 20-804 approved by the City Council on September 1, 2020, \$1.6 million was set aside for a low-income housing development at 1601 Civic Center Drive. This fund tracks all activity related to that development.

Convention Center Capital Fund (865)

This fund was established in FY 2020/21 through Report to Council 21-1176 approved by the City Council on January 12, 2021. This fund accounts for the capital improvements to the Convention Center. Improvements to the Convention Center are funded by the initial City capital contribution from the General Fund in addition to developer contributions from the Convention Center operations management team, OVG360, and the food and beverage operator, Levy.

Electric Utility Capital Fund (591)

This fund accounts for projects pertaining to system improvements, substation construction, and technology projects. Customer service charges, developer contributions, debt financing, and transfers from other enterprise funds are the primary sources of revenue for these projects.

Fire Department Capital Fund (536)

This fund tracks projects that include the replacement of firefighting equipment, defibrillators, personal protective equipment, firehouse safety systems, and fire station improvements. The General Fund provides the funding for these projects.

General Government Capital Fund (539)

This fund accounts for projects primarily related to the implementation, maintenance, and upgrades for the various applications in Citywide departments. The funding sources are mainly from grants and transfers from the City's enterprise funds and the General Fund.

Library Department Capital Fund (537)

This fund tracks projects associated with the capital maintenance, construction, safety, and appearance of library facilities, funded by the General Fund.

Parks and Recreation Capital Fund (532)

This fund accounts for the projects associated with the acquisition, development, and capital improvement of neighborhood and community parks, recreation facilities, and open space to meet the needs of the City residents. Funding sources for these projects include developer contributions, grants and donations, parks Mitigation Act fees (MFA), and Quimby Act fees.

Patrick Henry Drive Infrastructure Improvement Fund (542)

This fund was established in FY 2021/22 through the Report to Council 22-90 approved by the City Council on March 22, 2022, and is managed by the Department of Public Works. This fund accounts for impact fee revenues and project expenditures related to the Patrick Henry Drive Specific Plan.

Public Buildings Capital Fund (538)

The projects in this fund are associated with repairs and capital maintenance for public buildings, including mechanical and electrical systems, primarily funded by the General Fund.

Recycled Water Capital Fund (597)

This fund tracks projects related to the installation of recycled water mains, including extensions to existing service and for new developments, supported by recycled water customer service charges.

Related Santa Clara Developer Fund (540)

This fund tracks the financial resources from the Developer to fund City staff in pre-development and permit processing efforts and third-party consultant work for the Related Santa Clara project.

Sewer Utility Capital Fund (594)

This fund tracks projects related to the construction and upkeep of the City's sewer system including sewer mains and the City of Santa Clara/San José wastewater treatment facility. These projects are funded through customer service charges, connection charges, debt financing, and the sewer conveyance fee.

Solid Waste Capital Fund (596)

The capital projects included in this fund are related to the construction of wells, well abandonments, erosion and settlement repair and prevention, maintenance of landfill gas, and miscellaneous landfill monitoring requirements. Funding sources for these projects include lease revenues, customer service charges, and developer contributions.

Storm Drain Capital Fund (535)

The projects in the Storm Drain Capital Fund contribute to the expansion, construction, and rehabilitation of the City's storm drain system. Primary funding sources include the General Fund and developer-funded storm drain charges.

Street Lighting Capital Fund (534)

This fund accounts for projects related to the replacement and installation of citywide street lighting to provide adequate lighting for streets, new developments, and parking lots. These projects are funded via customer service charges, developer contributions, and electric public benefits charges.

Streets and Highways Capital Fund (533)

This fund tracks the City's projects that are related to the maintenance of local transportation facilities, traffic infrastructure, street rehabilitation, sidewalk, curb, and gutter improvements. Primary funding sources for these types of projects include traffic mitigation fees, gas tax, and Road Maintenance and Rehabilitation Account proceeds.

Tasman East Infrastructure Improvement Fund (541)

This fund was established in FY 2020/21 through the Report to Council 20-787 approved by the City Council on November 17, 2020 and is managed by the Department of Public Works. This fund accounts for impact fee revenues and project expenditures related to the Tasman East Specific Plan.

Water Utility Capital Fund (592)

The projects in this fund pertain to the construction and upkeep of the water system including water mains, hydrants, wells and pumps, storage tanks, and the asset management system. Customer service charges and developer contributions are the primary funding sources for these projects.

The following section details the City of Santa Clara's Capital Improvement Program Funds' Statements of Sources and Uses and their Amended Biennial Capital Improvement Program Budget for Fiscal Year 2023/24.



CAPITAL IMPROVEMENT PROGRAM FUNDS | CEMETERY CAPITAL FUND (593)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Beginning Fund Balance					
Encumbrance Carryover	51,635	44,418	44,418	51,635	44,418
Unrestricted	248,365	233,980	233,980	0	0
Total Beginning Fund Balance	300,000	278,398	278,398	51,635	44,418
Transfers From					
General Fund	8,409	9,225	9,225	9,597	0
Total Transfers From	8,409	9,225	9,225	9,597	0
Total Source of Funds	308,409	287,623	287,623	61,232	44,418
Expenditures					
3628 - Sarah E. Fox Mausoleum Repairs	21,602	233,980	233,980	0	0
3699 - PW Capital Projects Management	8,409	9,225	9,225	9,597	0
Total Expenditures	30,011	243,205	243,205	9,597	0
Ending Fund Balance					
Encumbrance Carryover	44,418	44,418	44,418	51,635	44,418
Unrestricted	233,980	0	0	0	0
Total Ending Fund Balance	278,398	44,418	44,418	51,635	44,418
Total Use of Funds	308,409	287,623	287,623	61,232	44,418



CAPITAL IMPROVEMENT PROGRAM FUNDS | CITY AFFORDABLE HOUSING CAPITAL FUND (565)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Beginning Fund Balance					
Unrestricted	1,730,201	7,360,576	7,360,576	0	5,760,576
Total Beginning Fund Balance	1,730,201	7,360,576	7,360,576	0	5,760,576
Revenue					
Other Revenue	5,613,415	0	0	0	0
Interest	16,960	0	0	0	0
Total Revenue	5,630,375	0	0	0	0
Total Source of Funds	7,360,576	7,360,576	7,360,576	0	5,760,576
Expenditures					
5211 - Civic Center Drive - Low Income Housing	0	1,600,000	1,600,000	0	0
Total Expenditures	0	1,600,000	1,600,000	0	0
Ending Fund Balance					
Unrestricted	7,360,576	5,760,576	5,760,576	0	5,760,576
Total Ending Fund Balance	7,360,576	5,760,576	5,760,576	0	5,760,576
Total Use of Funds	7,360,576	7,360,576	7,360,576	0	5,760,576



CAPITAL IMPROVEMENT PROGRAM FUNDS

CONVENTION CENTER CAPITAL FUND (865)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Beginning Fund Balance					
Unrestricted	3,146,241	2,691,883	2,691,883	69,029	0
Total Beginning Fund Balance	3,146,241	2,691,883	2,691,883	69,029	0
Revenue					
Other Revenue	480,432	0	0	0	0
Total Revenue	480,432	0	0	0	0
Transfers From					
Convention Center Enterprise Fund	1,764,000	0	0	0	0
Public Buildings Capital Fund	83,112	0	0	0	0
Total Transfers From	1,847,112	0	0	0	0
Total Source of Funds	5,473,785	2,691,883	2,691,883	69,029	0
Expenditures					
8101 - Santa Clara Convention Center Condition Assessment Repair	2,741,902	2,691,883	2,691,883	0	0
Total Expenditures	2,741,902	2,691,883	2,691,883	0	0
Transfers To					
General Fund	40,000	0	0	0	0
Total Transfers To	40,000	0	0	0	0
Ending Fund Balance					
Unrestricted	2,691,883	0	0	69,029	0
Total Ending Fund Balance	2,691,883	0	0	69,029	0
Total Use of Funds	5,433,785	2,691,883	2,691,883	69,029	0



CAPITAL IMPROVEMENT PROGRAM FUNDS | ELECTRIC UTILITY CAPITAL FUND (591)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Beginning Fund Balance					
Encumbrance Carryover	13,173,288	28,437,189	28,437,189	13,173,288	28,437,189
Unrestricted	104,798,723	91,179,321	91,179,321	5,992,948	16,615,040
Total Beginning Fund Balance	117,972,011	119,616,510	119,616,510	19,166,236	45,052,229
Revenue					
Other Revenue	39,801,660	52,405,338	52,405,338	16,123,480	37,980,480
Total Revenue	39,801,660	52,405,338	52,405,338	16,123,480	37,980,480
Transfers From					
Electric Debt Service Fund	0	0	0	120,950,000	305,250,000
Electric Operating Grant Trust Fund	4,851,839	4,702,669	4,702,669	1,000,000	1,000,000
Electric Utility Fund	14,000,865	59,229,040	59,229,040	41,843,798	13,919,559
General Fund - Capital Projects Reserve	330,000	0	0	0	0
Storm Drain Capital Fund	0	0	0	65,000	65,000
Water Utility Fund	0	120,000	120,000	120,000	120,000
Total Transfers From	19,182,704	64,051,709	64,051,709	163,978,798	320,354,559
Total Source of Funds	176,956,375	236,073,557	236,073,557	199,268,514	403,387,268
Expenditures					
2452 - 60KV Breaker Upgrades	3,922	5,994,901	5,994,901	9,608,000	0
2461 - Battery Energy Storage System	0	1,972,479	1,972,479	258,246	200,000
2457 - Bowers Avenue Junction	101,322	2,970,000	2,970,000	0	0
2407 - Bucks Creek Relicensing	302,433	131,685	131,685	0	0
2398 - Clean Energy and Carbon Reduction	1,336	4,325,015	4,325,015	0	0
2435 - DOT Gas Pipeline Upgrades and Repairs	450,434	1,164,421	1,164,421	0	0
NEW - Duane-Scott 115kV Reconductor	0	0	0	0	1,620,000
2441 - Electric Vehicle (EV) Charging	651,452	2,193,386	2,193,386	1,000,000	1,000,000



CAPITAL IMPROVEMENT PROGRAM FUNDS | ELECTRIC UTILITY CAPITAL FUND (591)

		2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Expenditures						
2010	- Electric Yard Buildings and Grounds	142,439	2,214,698	2,214,698	566,000	566,000
2418	- Esperanca Substation	33,260	16,010,919	16,010,919	12,484,526	12,484,526
2004	- Fiber Development, Design, and Expansion	663,107	2,128,332	2,128,332	2,262,737	2,262,737
2451	- Freedom Circle Junction Substation	465,541	3,308,213	3,308,213	1,363,250	1,363,250
2119	- Generation Capital Maintenance and Betterments	131,079	2,020,493	2,020,493	2,100,000	2,100,000
2460	- Grizzly Tap Line Repairs	0	12,500,000	12,500,000	12,500,000	12,500,000
2431	- Homestead Substation Rebuild	31,441	1,501,937	1,501,937	0	0
2111	- Implementation of Advanced Metering Infrastructure (AMI)	672,704	471,121	471,121	0	0
2403	- Install Fairview Substation - Third Transformer Bank	334,431	0	0	0	0
2462	- Juliette Substation Transformer Rerate and Installation	0	2,000,000	2,000,000	0	0
2453	- KRS Rebuild and Replacement	6,286	8,777,017	8,777,017	47,760,203	78,460,203
2443	- Laurelwood Substation	2,084	5,497,916	5,497,916	0	0
2127	- Major Engine Overhaul and Repair	16,956,765	14,489,741	14,489,741	205,000	205,000
2450	- Martin Avenue Junction Substation	317,734	1,174,510	1,174,510	5,838,000	5,838,000
2449	- Memorex Junction Substation	221,483	6,645,939	6,645,939	1,009,000	3,776,000
2390	- Network and Cyber Security Infrastructure	205,956	87,927	87,927	0	0
2005	- New Business Estimate Work	4,717,734	5,977,227	5,977,227	4,786,250	4,786,250
2444	- Northwest Loop Capacity Upgrade	0	1,050,000	1,050,000	1,100,000	3,700,000
2430	- NRS 230kv Spare Transformer	2,434	1,997,566	1,997,566	15,000,000	0
2445	- NRS Breaker 392 Addition	496	4,073,504	4,073,504	176,000	0
2454	- NRS Transformer and Breaker Upgrades	3,394	8,229,945	8,229,945	5,605,000	81,888,394



CAPITAL IMPROVEMENT PROGRAM FUNDS | ELECTRIC UTILITY CAPITAL FUND (591)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Expenditures					
2455 - NRS-KRS 115kV Line	3,472	3,537,843	3,537,843	0	29,258,000
2440 - Oaks Junction	180,289	2,416,061	2,416,061	0	0
2395 - Operations and Planning Technology	91,770	1,393,541	1,393,541	225,000	225,000
2433 - Parker Substation	109,845	0	0	0	0
2446 - Renewable Energy Microgrid	123,720	4,063,436	4,063,436	0	0
2434 - Replace Balance of Plant Control System (DCS)	178,040	2,590,177	2,590,177	2,025,000	0
2442 - San Tomas Junction	1,559,110	3,726,707	3,726,707	0	0
2104 - Serra Substation Re-Build	6,907,622	571,658	571,658	0	0
NEW - South Loop Reconductor	0	0	0	0	18,610,000
2456 - SRS Rebuild and Replacement	5,358	11,753,644	11,753,644	50,500,203	79,500,203
2448 - Stender Way Junction Substation	283,244	7,817,347	7,817,347	194,000	194,000
2429 - Storm Water Compliance	73,904	730,970	730,970	0	0
2008 - Substation Capital Maintenance and Betterments	0		0	0	1,034,000
2447 - Substation Control and Communication System Replacement	161,590	117,769	117,769	95,396	95,396
2424 - Substation Physical Security Improvements	0	226,503	226,503	33,223	0
2410 - System Capacity Expansion	370,894	3,138,445	3,138,445	947,536	947,536
2006 - Transmission and Distribution Capital Maintenance and Betterments	1,695,309	9,632,179	9,632,179	1,977,708	3,077,708
2459 - Transmission Loop 1	0	1,830,000	1,830,000	0	3,500,000
2463 - Transmission Loop 2	0	2,000,000	2,000,000	0	0
2124 - Transmission System Reinforcements	18,587,400	1,347,862	1,347,862	0	0
2423 - Utility Billing CIS Replacement	0	2,000,000	2,000,000	0	0
2437 - Valve Replacement and Repair	0	1,048,828	1,048,828	0	0
2458 - Walsh-Uranium 60kV Reconductor	0	377,000	377,000	2,380,000	2,380,000
2432 - Yard Pavement Project	16,733	855,591	855,591	0	0
Total Expenditures	56,767,567	180,084,453	180,084,453	182,000,278	351,572,203



CAPITAL IMPROVEMENT PROGRAM FUNDS | ELECTRIC UTILITY CAPITAL FUND (591)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Transfers To					
Electric Operating Grant Trust Fund	200,082	0	0	0	0
Electric Utility Fund	0	10,888,289	10,888,289	0	0
General Government Capital Fund	0	48,586	48,586	0	0
Sewer Utility Fund	186,108	0	0	0	0
Water Utility Fund	186,108	0	0	0	0
Total Transfers To	572,298	10,936,875	10,936,875	0	0
Ending Fund Balance					
Encumbrance Carryover	28,437,189	28,437,189	28,437,189	13,173,288	28,437,189
Unrestricted	91,179,321	16,615,040	16,615,040	4,094,948	23,377,876
Total Ending Fund Balance	119,616,510	45,052,229	45,052,229	17,268,236	51,815,065
Total Use of Funds	176,956,375	236,073,557	236,073,557	199,268,514	403,387,268



CAPITAL IMPROVEMENT PROGRAM FUNDS | FIRE

DEPARTMENT CAPITAL FUND (536)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Beginning Fund Balance					
Encumbrance Carryover	126,861	918,327	918,327	126,861	918,327
Unrestricted	823,737	456,131	456,131	0	0
Total Beginning Fund Balance	950,598	1,374,458	1,374,458	126,861	918,327
Transfers From					
General Fund - Capital Projects Reserve	774,110	586,536	586,536	427,374	427,374
General Fund - Land Sale Reserve	0	73,613	73,613	0	0
General Fund	63,000	1,617	1,617	1,683	0
Total Transfers From	837,110	661,766	661,766	429,057	427,374
Total Source of Funds	1,787,708	2,036,224	2,036,224	555,918	1,345,701
Expenditures					
4064 - City-Wide AED Replacements	0	914	914	0	0
4094 - Computer Aided Dispatch (CAD) Alerting System Upgrade	223,047	86,563	86,563	0	0
4089 - Defibrillator/Monitor Replacement	44,001	69,440	69,440	70,000	70,000
4097 - Diesel Exhaust Removal Systems	0	200,000	200,000	0	0
4086 - Emergency Operations Center Capital Refurbishment	4,263	3,221	3,221	0	0
4085 - Emergency Operations Center Communications System Upgrade	0	40,599	40,599	0	0
4088 - EMS System First Responder Projects	0	11,335	11,335	0	0
4067 - Fire Department Accela Implementation	0	63,000	63,000	0	0

CAPITAL IMPROVEMENT PROGRAM FUNDS | FIRE

DEPARTMENT CAPITAL FUND (536)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Expenditures					
4098 - Fire Station 8 Fixture Furniture & Equipment	0	60,001	60,001	0	0
4084 - Protective Equipment Replacement	141,703	420,153	420,153	357,374	357,374
4099 - PW Capital Projects Management	0	1,617	1,617	1,683	0
4063 - Replacement SCBA Filling Stations	0	100,000	100,000	0	0
4070 - Station 2 Training Tower Renovation	0	0	0	0	0
Total Expenditures	413,014	1,056,843	1,056,843	429,057	427,374
Transfers To					
General Fund - Capital Projects Reserve	236	61,054	61,054	0	0
Total Transfers To	236	61,054	61,054	0	0
Ending Fund Balance					
Encumbrance Carryover	918,327	918,327	918,327	126,861	918,327
Unrestricted	456,131	0	0	0	0
Total Ending Fund Balance	1,374,458	918,327	918,327	126,861	918,327
Total Use of Funds	1,787,708	2,036,224	2,036,224	555,918	1,345,701



CAPITAL IMPROVEMENT PROGRAM FUNDS | GENERAL GOVERNMENT CAPITAL FUND (539)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Beginning Fund Balance					
Encumbrance Carryover	742,479	1,259,721	1,259,721	742,479	1,259,721
Unrestricted	8,800,921	6,165,376	6,165,376	0	0
Total Beginning Fund Balance	9,543,400	7,425,097	7,425,097	742,479	1,259,721
Revenue					
Other Agencies Revenue	204,401	0	0	0	0
Other Revenue	9,520	0	0	0	0
Total Revenue	213,921	0	0	0	0
Transfers From					
Building Development Services Fund	1,737	1,737	1,737	1,737	1,737
Cemetery Fund	822	822	822	822	822
Electric Utility Capital Fund	0	20,226	20,226	0	0
Electric Utility Fund	596,323	232,683	232,683	596,323	596,323
Recycled Water Capital Fund	0	20,226	20,226	0	0
Sewer Utility Capital Fund	0	233,284	233,284	0	0
Sewer Utility Fund	50,278	4,278	4,278	50,278	50,278
Solid Waste Fund	26,621	5,121	5,121	26,621	26,621
Storm Drain Capital Fund	1,000	0	0	0	0
Water Utility Capital Fund	0	20,226	20,226	0	0
Water Utility Fund	158,936	119,436	119,436	158,936	158,936
General Fund	0	325,000	325,000	0	0
General Fund - Advanced Planning Fee Reserve	0	22,610	22,610	0	0
General Fund - Capital Projects Reserve	689,283	221,941	221,941	90,283	90,283
General Fund - Land Sale Reserve	30,000	1,200,000	1,200,000	0	0
Total Transfers From	1,555,000	2,427,590	2,427,590	925,000	925,000
Total Source of Funds	11,312,321	9,852,687	9,852,687	1,667,479	2,184,721
Expenditures					
6549 - Agenda and Document Management Systems	84,600	442,926	442,926	0	0
6003 - Broadband Community System General Government Network	4,622	166,594	166,594	0	0



CAPITAL IMPROVEMENT PROGRAM FUNDS | GENERAL GOVERNMENT CAPITAL FUND (539)

		2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Expenditures						
6118	- CAD/RMS System Replacement	530,421	240,208	240,208	0	0
6513	- Computer Replacement Program	37,480	265,764	265,764	0	0
6514	- Consolidate and Upgrade Servers	5,428	579,501	579,501	0	0
6018	- Convention Center Repairs and Upgrades	0	0	0	0	0
6550	- Cyber Security Risk Mitigation	23,521	35,613	35,613	0	0
6559	- Downtown Master Plan	136,868	22,610	22,610	0	0
6560	- Downtown Master Plan Implementation	1,811,288	0	0	0	0
6563	- El Camino Specific Plan	0	1,000,000	1,000,000	0	0
6551	- End User/Desktop Transformation	0	95,851	95,851	0	0
6501	- FHRMS Update Project	9,112	1,180,669	1,180,669	75,000	75,000
6557	- Fire Station Video Conferencing	0	198,961	198,961	0	0
6534	- GIS Enterprise System (Geospatial Information System)	233,035	527,493	527,493	300,000	300,000
6532	- Intranet Collaboration Suite Implementation	0	175,375	175,375	0	0
6558	- Morse Mansion Rehabilitation	34,646	92,575	92,575	50,000	50,000
6555	- Office Reconfiguration	932	305,218	305,218	0	0
6075	- Permit Information System	257,183	520,385	520,385	0	0
6564	- Precise Plan for Downtown	0	353,360	353,360	0	0
6505	- Replace Network Equipment	480,261	129,349	129,349	0	0
6562	- Transportation Demand Management	0	200,000	200,000	0	0
6179	- UPRR Agnew Siding - City Utility Protection/Relocation	0	426,620	426,620	0	0



CAPITAL IMPROVEMENT PROGRAM FUNDS | GENERAL GOVERNMENT CAPITAL FUND (539)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Expenditures					
6103 - Utility Management Information System (UMIS) Enhancements	143,494	1,626,979	1,626,979	500,000	500,000
6520 - Zoning Code Update	29,273	0	0	0	0
Total Expenditures	3,822,164	8,586,051	8,586,051	925,000	925,000
Transfers To					
Convention Center Capital Fund	64,600	0	0	0	0
General Fund	460	6,915	6,915	0	0
Total Transfers To	65,060	6,915	6,915	0	0
Ending Fund Balance					
Encumbrance Carryover	1,259,721	1,259,721	1,259,721	742,479	1,259,721
Unrestricted	6,165,376	0	0	0	0
Total Ending Fund Balance	7,425,097	1,259,721	1,259,721	742,479	1,259,721
Total Use of Funds	11,312,321	9,852,687	9,852,687	1,667,479	2,184,721



CAPITAL IMPROVEMENT PROGRAM FUNDS | LIBRARY DEPARTMENT CAPITAL FUND (537)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Beginning Fund Balance					
Encumbrance Carryover	16,500	131,279	131,279	9,170	131,279
Unrestricted	190,108	35,747	35,747	0	0
Total Beginning Fund Balance	206,608	167,026	167,026	9,170	131,279
Transfers From					
General Fund - Capital Projects Reserve	0	273,000	273,000	0	0
General Fund	7,872	8,831	8,831	9,187	0
Total Transfers From	7,872	281,831	281,831	9,187	0
Total Source of Funds	214,480	448,857	448,857	18,357	131,279
Expenditures					
5054 - Central Library Fire Panel Upgrade	28,284	0	0	0	0
5055 - Central Park Library Concrete Sidewalk Replacement	0	273,000	273,000	0	0
5053 - Northside Library Photovoltaic System	9,170	0	0	0	0
5049 - Public Spaces	0	28,626	28,626	0	0
5099 - PW Capital Projects Management	7,872	8,831	8,831	9,187	0
5044 - Remodel of Mission Branch Library	2,128	7,121	7,121	0	0
Total Expenditures	47,454	317,578	317,578	9,187	0
Ending Fund Balance					
Encumbrance Carryover	131,279	131,279	131,279	9,170	131,279
Unrestricted	35,747	0	0	0	0
Total Ending Fund Balance	167,026	131,279	131,279	9,170	131,279
Total Use of Funds	214,480	448,857	448,857	18,357	131,279

CAPITAL IMPROVEMENT PROGRAM FUNDS | PARKS AND RECREATION CAPITAL FUND (532)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Beginning Fund Balance					
Encumbrance Carryover	2,607,975	1,845,995	1,845,995	2,607,975	1,845,995
Unrestricted	17,329,850	32,201,161	32,201,161	418,688	17,478,982
Total Beginning Fund Balance	19,937,825	34,047,156	34,047,156	3,026,663	19,324,977
Revenue					
Other Agencies Revenue	59,245	2,821,642	2,821,642	0	0
Mitigation Fee Act Revenue	14,634,898	25,216,358	25,216,358	0	0
Quimby Act Fees	3,778,469	0	0	0	0
Other Revenue	275,362	1,019,998	1,019,998	0	0
Developer Contributions	0	500,000	500,000	0	0
Interest	276,420	0	0	0	0
Total Revenue	19,024,394	29,557,998	29,557,998	0	0
Transfers From					
General Fund	200,000	202,529	202,529	0	258,941
General Fund - Land Sale Reserve	2,143,117	25,000	25,000	0	0
Electric Operating Grant Trust Fund	0	300,000	300,000	0	0
Total Transfers From	2,343,117	527,529	527,529	0	258,941
Total Source of Funds	41,305,336	64,132,683	64,132,683	3,026,663	19,583,918
Expenditures					
3187 - Bowers Park Roof Replacement	23,200	173,745	173,745	0	0
3183 - Central Park Magical Bridge	256,660	8,884,000	8,884,000	0	0
3196 - Central Park Maser Plan - Aquatic Center Planning & Design	0	358,000	358,000	0	0
3133 - Central Park Master Plan - New Entrance, Access, and Parking	34,121	2,370,144	2,370,144	0	0
3132 - Community Park North - Phase I	0	500,000	500,000	0	0



CAPITAL IMPROVEMENT PROGRAM FUNDS | PARKS AND RECREATION CAPITAL FUND (532)

		2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Expenditures						
3129	- Eddie Souza Park Building Repair	0	300,000	300,000	0	0
3134	- Electronic Access for Meeting Rooms	391	575,809	575,809	0	0
3102	- Facility Condition Assessment	0	400,000	400,000	0	0
3194	- FF&E Developer Delivered Parkland	7,995	111,005	111,005	0	0
3195	- Henry Schmidt Park Playground Rehabilitation	0	235,000	235,000	0	0
3189	- Homeridge Park Playground Rehabilitation	7,946	0	0	0	0
3130	- Maywood Park Playground Rehabilitation	0	2,256,622	2,256,622	0	0
3128	- MFA Developer Reimbursement	0	210,572	210,572	0	0
3146	- Mission Library Gazebo	19,322	210,000	210,000	0	0
3184	- Montague Park Enhancement	23,597	7,237,379	7,237,379	0	0
3101	- Parks and Recreation Master Plan	0	300,000	300,000	0	0
3181	- Park Impact Fees (Quimby, MFA, Developer) Monitoring Project	27,899	1,264,551	1,264,551	278,000	278,000
3001	- Park Improvements	312,053	155,926	155,926	0	0
3127	- Parkland Acquisition	0	6,000,000	6,000,000	0	0
3197	- Parks Service Center Roof	0	800,000	800,000	0	0
3199	- PW Capital Projects Management	493,379	442,406	442,406	0	1,020,457
3198	- Quimby Developer Reimbursement	0	2,398,385	2,398,385	0	0



CAPITAL IMPROVEMENT PROGRAM FUNDS | PARKS AND RECREATION CAPITAL FUND (532)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Expenditures					
3186 - Restroom at Fairway Glen Park	99,519	815,582	815,582	0	0
3188 - Senior Center Gym Equipment Replacement	164,652	4,237	4,237	0	0
3137 - Warburton Park Playground Rehabilitation	0	1,331,800	1,331,800	0	0
3136 - Westwood Oaks Park Playground Rehabilitation	78,933	1,874,328	1,874,328	0	0
3177 - Youth Soccer Fields & Athletic Facilities- Reed & Grant Street	375,172	0	0	0	0
Total Expenditures	1,924,839	39,209,491	39,209,491	278,000	1,298,457
Transfers To					
General Fund	9,494	0	0	0	0
General Fund - Capital Projects Reserve	3,274	0	0	0	0
General Fund - Land Sale Reserve (Loan Repayment for Reed and Grant Sports Park)	3,295,573	5,598,215	5,598,215	0	0
Streets and Highways Capital Fund	2,025,000	0	0	0	0
Total Transfers To	5,333,341	5,598,215	5,598,215	0	0
Ending Fund Balance					
Encumbrance Carryover	1,845,995	1,845,995	1,845,995	2,607,975	1,845,995
Unrestricted	32,201,161	17,478,982	17,478,982	140,688	16,439,466
Total Ending Fund Balance	34,047,156	19,324,977	19,324,977	2,748,663	18,285,461
Total Use of Funds	41,305,336	64,132,683	64,132,683	3,026,663	19,583,918



CAPITAL IMPROVEMENT PROGRAM FUNDS | PATRICK HENRY DRIVE INFRASTRUCTURE IMPROVEMENT FUND (542)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Beginning Fund Balance					
Unrestricted	0	0	0	0	0
Total Beginning Fund Balance	0	0	0	0	0
Revenue					
Patrick Henry Infrastructure Impact Fee	0	69,205	0	71,281	140,486
Total Revenue	0	69,205	0	71,281	140,486
Transfers From					
General Fund - Capital Projects Reserve	0	0	69,205	0	0
Total Transfers From	0	0	69,205	0	0
Total Source of Funds	0	69,205	69,205	71,281	140,486
Expenditures					
4710 - Patrick Henry Drive Administration	0	69,205	69,205	71,281	71,281
Total Expenditures	0	69,205	69,205	71,281	71,281
Transfers To					
General Fund - Capital Projects Reserve	0	0	0	0	69,205
Total Transfers To	0	0	0	0	69,205
Ending Fund Balance					
Unrestricted	0	0	0	0	0
Total Ending Fund Balance	0	0	0	0	0
Total Use of Funds	0	69,205	69,205	71,281	140,486



CAPITAL IMPROVEMENT PROGRAM FUNDS | PUBLIC BUILDINGS CAPITAL FUND (538)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Beginning Fund Balance					
Encumbrance Carryover	3,970,517	1,670,153	1,670,153	3,970,517	1,670,153
Unrestricted	3,537,354	2,339,492	2,339,492	0	0
Total Beginning Fund Balance	7,507,871	4,009,645	4,009,645	3,970,517	1,670,153
Revenue					
Other Revenue	0	100,000	100,000	0	0
Total Revenue	0	100,000	100,000	0	0
Transfers From					
General Fund	12,953	195,532	195,532	20,320	169,019
General Fund - Capital Projects Reserve	385,000	1,250,000	1,250,000	1,501,000	1,421,000
Water Utility Fund	0	1,263,050	1,263,050	0	0
Total Transfers From	397,953	2,708,582	2,708,582	1,521,320	1,590,019
Total Source of Funds	7,905,824	6,818,227	6,818,227	5,491,837	3,260,172
Expenditures					
6153 - ADA Self Evaluation and Transition Plan Update	4,439	10,529	10,529	0	0
6177 - Berman Building Gate and Electrical Panel Upgrades Project	0	150,000	150,000	0	0
6150 - City Hall Security & Key System Upgrade	6,671	176	176	0	0
6144 - Civic Center Campus Renovation (Multi-Department)	0	139,127	139,127	0	0
6163 - COVID-19 Safety Renovations	690	49,310	49,310	0	0
6137 - Hazardous Material Management for Soil and Groundwater on City Properties	2,689	173,453	173,453	0	0
6149 - HVAC Chiller Unit	59,379	39,124	39,124	0	0

CAPITAL IMPROVEMENT PROGRAM FUNDS | PUBLIC BUILDINGS CAPITAL FUND (538)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Expenditures					
6123 - Public Building Parking Lot Improvements	26,943	391,631	391,631	0	0
6199 - PW Capital Projects Management Costs	12,953	19,532	19,532	20,320	169,019
6139 - Repair to Historic	324,235	131,170	131,170	100,000	100,000
6138 - Repairs-Modifications to City Buildings	60,040	536,751	536,751	175,000	175,000
6158 - Stationary Standby Generators	2,367,771	3,430,961	3,430,961	1,191,000	1,111,000
6140 - Triton Museum Repair and Modifications	9,184	76,310	76,310	35,000	35,000
Total Expenditures	2,874,994	5,148,074	5,148,074	1,521,320	1,590,019
Transfers To					
Convention Center Capital Fund	18,512	0	0	0	0
General Fund	1,184	0	0	0	0
General Fund - Capital Projects Reserve	1,001,489	0	0	0	0
Total Transfers To	1,021,185	0	0	0	0
Ending Fund Balance					
Encumbrance Carryover	1,670,153	1,670,153	1,670,153	3,970,517	1,670,153
Unrestricted	2,339,492	0	0	0	0
Total Ending Fund Balance	4,009,645	1,670,153	1,670,153	3,970,517	1,670,153
Total Use of Funds	7,905,824	6,818,227	6,818,227	5,491,837	3,260,172



CAPITAL IMPROVEMENT PROGRAM FUNDS | RECYCLED WATER CAPITAL FUND (597)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Beginning Fund Balance					
Unrestricted	1,926,414	1,972,874	1,972,874	1,876,414	622,874
Total Beginning Fund Balance	1,926,414	1,972,874	1,972,874	1,876,414	622,874
Transfers From					
Water Recycling Fund	50,000	0	0	0	0
Total Transfers From	50,000	0	0	0	0
Total Source of Funds	1,976,414	1,972,874	1,972,874	1,876,414	622,874
Expenditures					
7505 - Recycled Water System Mains and Services	3,540	29,774	29,774	50,000	50,000
Total Expenditures	3,540	29,774	29,774	50,000	50,000
Transfers To					
General Government Capital Fund	0	20,226	20,226	0	0
Water Recycling Fund	0	0	1,300,000	0	0
Total Transfers To	0	20,226	1,320,226	0	0
Ending Fund Balance					
Unrestricted	1,972,874	1,922,874	622,874	1,826,414	572,874
Total Ending Fund Balance	1,972,874	1,922,874	622,874	1,826,414	572,874
Total Use of Funds	1,976,414	1,972,874	1,972,874	1,876,414	622,874



CAPITAL IMPROVEMENT PROGRAM FUNDS | RELATED SANTA CLARA DEVELOPER FUND (540)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Beginning Fund Balance					
Encumbrance Carryover	641,455	598,382	598,382	641,455	598,382
Unrestricted	(1,220,432)	(1,118,024)	(1,118,024)	3,000	0
Total Beginning Fund Balance	(578,977)	(519,642)	(519,642)	644,455	598,382
Revenue					
Other Revenue	1,060,197	4,086,341	4,086,341	3,041,508	968,330
Interest	2,871	0	0	0	0
Total Revenue	1,063,068	4,086,341	4,086,341	3,041,508	968,330
Total Source of Funds	484,091	3,566,699	3,566,699	3,685,963	1,566,712
Expenditures					
4511 - Related General Admin Project	15,517	349,103	349,103	370,183	318,330
4512 - Related Permit Work Project	231,226	1,909,214	1,909,214	2,021,325	0
4513 - Other Development Project Services	756,990	710,000	710,000	650,000	650,000
Total Expenditures	1,003,733	2,968,317	2,968,317	3,041,508	968,330
Ending Fund Balance					
Encumbrance Carryover	598,382	598,382	598,382	641,455	598,382
Unrestricted	(1,118,024)	0	0	3,000	0
Total Ending Fund Balance	(519,642)	598,382	598,382	644,455	598,382
Total Use of Funds	484,091	3,566,699	3,566,699	3,685,963	1,566,712



CAPITAL IMPROVEMENT PROGRAM FUNDS | SEWER UTILITY CAPITAL FUND (594)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Beginning Fund Balance					
Encumbrance Carryover	3,639,338	2,297,972	2,297,972	3,639,338	2,297,972
Restricted - Sewer Conveyance Fee	39,419,207	44,777,734	44,777,734	0	22,128,559
Unrestricted	22,059,092	(15,143,125)	(15,143,125)	9,404,214	59,965
Total Beginning Fund Balance	65,117,637	31,932,581	31,932,581	13,043,552	24,486,496
Revenue					
Other Agencies Revenue	(5,736,770)	0	0	0	0
Other Fees for Services	5,682,381	0	0	0	0
Other Revenue	1,389,253	0	0	0	0
Interest	720,262	0	0	0	0
Total Revenue	2,055,126	0	0	0	0
Transfers From					
PW CIP Management Fund	43,508	22,812	22,812	0	0
Sewer Utility Fund	5,611,748	35,844,914	40,090,523	11,518,935	3,867,222
Sewer Utility Debt Service Fund	0	0	0	0	10,000,000
Total Transfers From	5,655,256	35,867,726	40,113,335	11,518,935	13,867,222
Total Source of Funds	72,828,019	67,800,307	72,045,916	24,562,487	38,353,718
Expenditures					
1979 - PW Capital Projects Management - Sewer Utility	1,083,803	775,066	775,066	815,017	467,313
1909 - Sanitary Sewer Capacity Improvements	249,588	22,748,620	22,410,585	209,489	214,915
1919 - Sanitary Sewer Hydraulic Modeling As Needed Support	326,485	1,082,614	1,082,614	120,000	123,120
1920 - Sanitary Sewer Master Plan Update	0	980,038	980,038	0	0
1911 - Sanitary Sewer System Condition Assessment	602,207	1,500,000	1,500,000	500,000	500,000
1912 - Sanitary Sewer System Improvements	987,672	1,766,707	6,012,316	2,000,000	0



CAPITAL IMPROVEMENT PROGRAM FUNDS | SEWER UTILITY CAPITAL FUND (594)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Expenditures					
1908 - S.J.-S.C. Regional Wastewater Facility	37,645,683	13,815,517	13,815,517	14,968,166	12,416,453
1916 - Walsh Avenue @ San Tomas Aquino Creek Sanitary Sewer Siphon	0	750,000	750,000	0	0
Total Expenditures	40,895,438	43,418,562	47,326,136	18,612,672	13,721,801
Transfers To					
General Government Capital Fund	0	233,284	233,284	0	0
Total Transfers To	0	233,284	233,284	0	0
Ending Fund Balance					
Encumbrance Carryover	2,297,972	2,297,972	2,297,972	3,639,338	2,297,972
Restricted - Sewer Conveyance Fee	44,777,734	21,790,524	22,128,559	0	21,913,644
Unrestricted	(15,143,125)	59,965	59,965	2,310,477	420,301
Total Ending Fund Balance	31,932,581	24,148,461	24,486,496	5,949,815	24,631,917
Total Use of Funds	72,828,019	67,800,307	72,045,916	24,562,487	38,353,718



CAPITAL IMPROVEMENT PROGRAM FUNDS | SOLID WASTE CAPITAL FUND (596)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Beginning Fund Balance					
Encumbrance Carryover	46,677	148,520	148,520	46,677	148,520
Landfill Post Closure Reserve	600,000	600,000	600,000	600,000	600,000
Landfill Corrective Action Costs	201,099	209,344	209,344	201,099	223,998
Unrestricted	722,878	58,060	58,060	364,052	103,918
Total Beginning Fund Balance	1,570,654	1,015,924	1,015,924	1,211,828	1,076,436
Revenue					
Rents	10,464	15,000	15,000	14,000	14,000
Developer Contributions	0	300,000	300,000	244,000	244,000
Total Revenue	10,464	315,000	315,000	258,000	258,000
Transfers From					
Solid Waste Fund	250,000	493,000	493,000	507,000	507,000
Total Transfers From	250,000	493,000	493,000	507,000	507,000
Total Source of Funds	1,831,118	1,823,924	1,823,924	1,976,828	1,841,436
Expenditures					
6109 - Sanitary Landfill Development - Post Closure	815,194	747,488	747,488	765,000	765,000
Total Expenditures	815,194	747,488	747,488	765,000	765,000
Ending Fund Balance					
Encumbrance Carryover	148,520	148,520	148,520	46,677	148,520
Landfill Post Closure Reserve	600,000	600,000	600,000	600,000	600,000
Landfill Corrective Action Costs	209,344	209,344	223,998	201,099	230,718
Unrestricted	58,060	118,572	103,918	364,052	97,198
Total Ending Fund Balance	1,015,924	1,076,436	1,076,436	1,211,828	1,076,436
Total Use of Funds	1,831,118	1,823,924	1,823,924	1,976,828	1,841,436



CAPITAL IMPROVEMENT PROGRAM FUNDS | STORM DRAIN CAPITAL FUND (535)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Beginning Fund Balance					
Encumbrance Carryover	6,840,969	4,216,612	4,216,612	6,840,969	4,216,612
Unrestricted	3,245,858	2,920,446	2,920,446	104,397	144,641
Total Beginning Fund Balance	10,086,827	7,137,058	7,137,058	6,945,366	4,361,253
Revenue					
Interest	6,794	0	0	0	0
Charges for Services	1,444,973	1,454,000	1,454,000	1,454,000	1,454,000
Other Fees for Services	33,450	0	0	0	0
Total Revenue	1,485,217	1,454,000	1,454,000	1,454,000	1,454,000
Transfers From					
General Fund	261,411	212,623	212,623	210,599	93,414
General Fund - Capital Projects Reserve	339,000	761,000	761,000	779,000	779,000
Total Transfers From	600,411	973,623	973,623	989,599	872,414
Total Source of Funds	12,172,455	9,564,681	9,564,681	9,388,965	6,687,667
Expenditures					
1840 - Kiely Blvd.-Saratoga Creek Storm Drain Outfall Relocation	0	125,500	125,500	0	0
1843 - Lafayette St. Underpass at Subway Pump Station	42,938	10,476	10,476	0	0
1841 - Laurelwood Pump Station Rehabilitation	2,428,428	862,534	862,534	0	0
1899 - PW Capital Projects Management	253,169	203,596	203,596	210,599	93,414
1838 - SDPS Motor and Control Maintenance, Repair, and Replacement	44,257	710,175	710,175	343,000	343,000
1811 - Storm Drain Pump Station Facility Maintenance & Repair	56,414	166,751	166,751	71,000	71,000
1835 - Storm Drain Pump Station Outfall Reconstruction Program	0	493,143	493,143	0	0



CAPITAL IMPROVEMENT PROGRAM FUNDS | STORM DRAIN CAPITAL FUND (535)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Expenditures					
1831 - Storm Drain Repairs and Maintenance	0	100,000	100,000	0	0
1844 - Storm Drain Slide Gate Rehabilitation	93,162	511,183	511,183	0	0
1834 - Storm Drain System Improvements	0	33,268	33,268	0	0
1837 - Storm Water Retention Basin Remediation	0	10,877	10,877	0	0
1839 - Urban Runoff Pollution Prevention Program	1,895	482,624	482,624	300,000	300,000
Total Expenditures	2,920,263	3,710,127	3,710,127	924,599	807,414
Transfers To					
General Fund	1,456,713	1,454,000	1,454,000	1,454,000	1,454,000
General Fund - Capital Projects Reserve	658,421	39,301	39,301	0	0
Electric Utility Capital Fund	0	0	0	65,000	65,000
Total Transfers To	2,115,134	1,493,301	1,493,301	1,519,000	1,519,000
Ending Fund Balance					
Encumbrance Carryover	4,216,612	4,216,612	4,216,612	6,840,969	4,216,612
Unrestricted	2,920,446	144,641	144,641	104,397	144,641
Total Ending Fund Balance	7,137,058	4,361,253	4,361,253	6,945,366	4,361,253
Total Use of Funds	12,172,455	9,564,681	9,564,681	9,388,965	6,687,667



CAPITAL IMPROVEMENT PROGRAM FUNDS | STREET LIGHTING CAPITAL FUND (534)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Beginning Fund Balance					
Encumbrance Carryover	4,055	167,884	167,884	4,055	167,884
Unrestricted	6,171,573	5,938,904	5,938,904	252,963	301,592
Total Beginning Fund Balance	6,175,628	6,106,788	6,106,788	257,018	469,476
Revenue					
Other Revenue	48,629	0	0	0	0
Total Revenue	48,629	0	0	0	0
Transfers From					
Electric Utility Fund	0	71,455	71,455	2,175,000	125,000
Total Transfers From	0	71,455	71,455	2,175,000	125,000
Total Source of Funds	6,224,257	6,178,243	6,178,243	2,432,018	594,476
Expenditures					
2875 - Great America Street Light Replacement	64,009	1,903,174	1,903,174	2,050,000	0
2874 - LED Street Lighting Retrofit	22,424	1,688,646	1,688,646	0	0
2871 - Miscellaneous Street Lighting	31,036	41,947	41,947	125,000	125,000
Total Expenditures	117,469	3,633,767	3,633,767	2,175,000	125,000
Transfers To					
Electric Utility Fund	0	2,075,000	2,075,000	0	0
Total Transfers To	0	2,075,000	2,075,000	0	0
Ending Fund Balance					
Encumbrance Carryover	167,884	167,884	167,884	4,055	167,884
Unrestricted	5,938,904	301,592	301,592	252,963	301,592
Total Ending Fund Balance	6,106,788	469,476	469,476	257,018	469,476
Total Use of Funds	6,224,257	6,178,243	6,178,243	2,432,018	594,476

CAPITAL IMPROVEMENT PROGRAM FUNDS | STREETS AND HIGHWAYS CAPITAL FUND (533)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Beginning Fund Balance					
Encumbrance Carryover	14,255,963	9,324,838	9,324,838	14,149,573	9,324,838
Unrestricted	21,318,629	40,121,826	40,121,826	3,315,447	3,685,519
Total Beginning Fund Balance	35,574,592	49,446,664	49,446,664	17,465,020	13,010,357
Revenue					
Other Agencies Revenue	7,015,415	21,093,856	21,093,856	2,973,832	4,473,832
Other Fees for Services	31,535	0	0	0	0
Other Revenue	291,879	750,000	750,000	0	0
State Revenue	799,227	712,000	712,000	1,021,400	1,021,400
Interest	48,418	0	0	0	0
Total Revenue	8,186,474	22,555,856	22,555,856	3,995,232	5,495,232
Transfers From					
Bridge Maintenance District #2 Fund	80,000	80,000	80,000	80,000	80,000
Developer Traffic Payments Fund	0	1,108,500	1,108,500	0	0
Electric Utility Fund	90,000	0	0	0	0
Electric Operating Grant Trust Fund	400,000	400,000	400,000	285,000	285,000
Gas Tax Fund	3,946,580	2,985,000	2,985,000	4,650,000	4,650,000
General Fund	2,103,129	2,172,464	2,172,464	2,247,188	2,023,418
General Fund - Capital Projects Reserve	8,486,000	1,619,000	1,619,000	1,580,000	2,043,050
Parks and Recreation Capital Fund	2,025,000	0	0	0	0
Road Maintenance and Rehabilitation (SB1) Fund	2,100,000	2,500,000	2,500,000	2,500,000	2,500,000
Sewer Utility Fund	108,130	0	0	0	0
Traffic Mitigation Fund	2,593,378	1,986,530	1,986,530	700,000	700,000
Water Utility Fund	62,840	0	0	0	0
Total Transfers From	21,995,057	12,851,494	12,851,494	12,042,188	12,281,468
Total Source of Funds	65,756,123	84,854,014	84,854,014	33,502,440	30,787,057



CAPITAL IMPROVEMENT PROGRAM FUNDS | STREETS AND HIGHWAYS CAPITAL FUND (533)

		2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Expenditures						
1231	- 2020 Pavement Preservation Project (OBAG II)	54,168	0	0	0	0
1239	- Adaptive Signal System	0	1,850,000	1,850,000	0	0
1255	- Adaptive Signal System (Santana West Settlement Agreement)	0	950,000	950,000	0	0
1202	- Agnew Road At-Grade Crossing	0	565,777	565,777	0	0
1203	- Annual Creek Trail Rehabilitation Program	0	1,240,000	1,240,000	200,000	200,000
1250	- Annual Curb Ramp Installation	4,504	698,848	698,848	150,000	150,000
1235	- Annual Street Maintenance and Rehabilitation Program	7,557,342	18,511,138	18,511,138	7,648,832	7,648,832
1246	- Bassett and Laurelwood Bicycle Lanes	647	1,023,714	1,023,714	0	0
1245	- Benton Bicycle Lanes	0	1,519,190	1,519,190	0	0
1325	- Bridge Maintenance Program	0	1,369,894	1,369,894	820,000	820,000
1227	- Changeable Message Signs	50,808	3,406,728	3,406,728	0	0
1201	- Creek Trail Network Expansion Master Plan	7,355	0	0	0	0
1275	- De La Cruz Boulevard Class IV Bikeway Study	0	559,161	559,161	0	0
1266	- El Camino Real Bike Lane Project	0	0	0	200,000	200,000
1251	- HAWK Beacon on Scott and Harrison	50,328	648,088	648,088	0	0
1274	- Lafayette Class IV Bike Lanes	297	199,703	199,703	0	0
1212	- LED Traffic Signal & Safety Light Replacements	42,672	1,202,810	1,202,810	300,000	300,000
1267	- Lick Mill Pedestrian Beacons Upgrade	0	500,000	500,000	0	0
1247	- Lick Mill-East River Parkway Crosswalk Improvements	421,264	0	0	0	0
1280	- MCB Class IV Bike Lanes	0	65,000	65,000	0	0
1237	- MCB/GAP Intersection Improvement Project	138,432	2,657,754	2,657,754	0	0



CAPITAL IMPROVEMENT PROGRAM FUNDS | STREETS AND HIGHWAYS CAPITAL FUND (533)

		2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Expenditures						
1259	- Monroe - Los Padres Traffic Signal Modification	0	680,000	680,000	0	0
1276	- Monroe Street Class II Buffered Bicycle Lane Study	0	263,700	263,700	0	0
1279	- Multi-Jurisdictional Transportation Technology	0	135,000	135,000	0	0
1249	- Multimodal Improvement Plan Phase 1 Projects	0	740,000	740,000	0	0
1258	- Multimodal Improvement Plan Phase 2 Projects	0	1,340,000	1,340,000	0	0
1211	- Neighborhood Traffic Calming	116,536	552,578	552,578	0	0
1220	- Pedestrian and Bicycle Enhancement Facilities	3,472	1,336,633	1,336,633	185,000	185,000
1205	- Pepper Tree Neighborhood Traffic Calming Study	0	91,055	91,055	0	0
1206	- Pruneridge Ave.-Lawrence Expwy. Bicycle Lanes Improvement	374,511	0	0	0	0
1248	- Pruneridge Avenue Complete	216,201	0	0	0	0
1285	- Pruneridge Avenue Signal Timing	0	1,000,000	1,000,000	0	0
1254	- Public Right-of-Way ADA Improvements (Settlement Agreement)	1,975,905	4,846,918	4,846,918	0	0
1199	- PW Capital Projects Management - Streets and Highways	2,103,129	2,172,464	2,172,464	2,247,188	2,023,418
1376	- Safe Routes to School	0	601,084	601,084	165,000	165,000
1386	- Santa Clara Citywide ITS Project 2	0	375,177	375,177	0	0
1261	- Santa Clara School Access Improvements	104,798	2,264,125	2,264,125	0	0
1284	- Santa Clara Pedestrian and Bicycle School Safety	0	25,000	25,000	0	0
1225	- Santa Clara VTA - Congestion Management Program	245,000	262,000	262,000	271,400	271,400
1204	- Saratoga Creek Trail (Homeridge Park to Central Park)	27,233	6,242,550	6,242,550	0	0



CAPITAL IMPROVEMENT PROGRAM FUNDS | STREETS AND HIGHWAYS CAPITAL FUND (533)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Expenditures					
1244 - Scott Blvd Traffic Signal Interconnect & Coordination	202,135	120,726	120,726	0	0
1252 - Scott Boulevard Signal Timing Phase II	81,436	0	0	0	0
1382 - Sidewalk, Curb and Gutter Repair	509,258	700,847	700,847	700,000	700,000
1283 - Stevens Creek Boulevard Vision Study	0	100,296	100,296	0	0
1273 - Street Tree Services	369,606	462,394	462,394	0	463,050
1286 - Tasman Complete Streets Plan 2021 Improvements Phase 1 –	0	1,500,000	1,500,000	0	1,500,000
1272 - TDA 21 Bicycle Facilities Upgrade	0	94,054	94,054	0	0
1260 - Traffic Calming (Santana West Settlement Agreement)	0	250,000	250,000	0	0
1256 - Traffic Engineering Consultant Support	75,454	100,100	100,100	100,000	100,000
1282 - Traffic Impact Fee Nexus Study	0	0	0	300,000	300,000
1218 - Traffic Pre-Emptors	0	879,266	879,266	0	0
1219 - Traffic Signal Enhancements	0	1,257,725	1,257,725	150,000	150,000
1232 - Traffic Signal Interconnect Upgrade	0	877,509	877,509	100,000	100,000
1217 - Traffic Signal Management Software Upgrade/Replacement	67,094	1,520,685	1,520,685	0	0
1216 - Traffic Studies and Signal Needs Assessment/Upgrade	27,737	0	0	0	0
1234 - Transportation Modeling Update	19,200	51,049	51,049	50,000	50,000
1271 - Tree Replacement	0	17,747	17,747	0	0
1226 - Uncontrolled Crosswalks Improvements	46,547	3,054,976	3,054,976	2,450,000	2,450,000
1277 - Walsh Avenue Class IV Bikeway Study	0	301,708	301,708	0	0
Total Expenditures	14,893,069	71,185,171	71,185,171	16,037,420	17,776,700



CAPITAL IMPROVEMENT PROGRAM FUNDS | STREETS AND HIGHWAYS CAPITAL FUND (533)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Transfers To					
Developer Traffic Payments Fund	722,720	0	0	0	0
Gas Tax Fund	382,164	527,565	527,565	0	0
General Fund	18,582	0	0	0	0
General Fund - Capital Projects Reserve	26,144	130,921	130,921	0	0
Traffic Mitigation Fund	266,780	0	0	0	0
Total Transfers To	1,416,390	658,486	658,486	0	0
Ending Fund Balance					
Encumbrance Carryover	9,324,838	9,324,838	9,324,838	14,149,573	9,324,838
Unrestricted	40,121,826	3,685,519	3,685,519	3,315,447	3,685,519
Total Ending Fund Balance	49,446,664	13,010,357	13,010,357	17,465,020	13,010,357
Total Use of Funds	65,756,123	84,854,014	84,854,014	33,502,440	30,787,057



CAPITAL IMPROVEMENT PROGRAM FUNDS | TASMAN EAST INFRASTRUCTURE IMPROVEMENT FUND (541)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Beginning Fund Balance					
Unrestricted	4,836	3,254,107	3,254,107	863,838	4,456,402
Total Beginning Fund Balance	4,836	3,254,107	3,254,107	863,838	4,456,402
Revenue					
Tasman East Infrastructure Impact Fee	3,465,453	2,413,605	4,411,858	0	0
Total Revenue	3,465,453	2,413,605	4,411,858	0	0
Transfers From					
General Fund	0	11,832	11,832	0	0
Total Transfers From	0	11,832	11,832	0	0
Total Source of Funds	3,470,289	5,679,544	7,677,797	863,838	4,456,402
Expenditures					
4611 - Tasman East Developer Reimbursement	0	3,194,861	3,194,861	0	0
4610 - Tasman East Administration	40,425	26,534	26,534	27,330	27,330
Total Expenditures	40,425	3,221,395	3,221,395	27,330	27,330
Transfers To					
General Fund - Capital Projects Reserve	175,757	0	0	0	0
Total Transfers To	175,757	0	0	0	0
Ending Fund Balance					
Unrestricted	3,254,107	2,458,149	4,456,402	836,508	4,429,072
Total Ending Fund Balance	3,254,107	2,458,149	4,456,402	836,508	4,429,072
Total Use of Funds	3,470,289	5,679,544	7,677,797	863,838	4,456,402



CAPITAL IMPROVEMENT PROGRAM FUNDS | WATER UTILITY CAPITAL FUND (592)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Adopted	2023/24 Amended
Beginning Fund Balance					
Encumbrance Carryover	4,615,672	1,368,212	1,368,212	4,615,672	1,368,212
Unrestricted	18,134,563	21,833,620	21,833,620	8,769,563	13,905,570
Total Beginning Fund Balance	22,750,235	23,201,832	23,201,832	13,385,235	15,273,782
Transfers From					
Sewer Utility Fund	500,000	0	0	0	0
Water Utility Fund	5,785,000	0	0	0	0
Total Transfers From	6,285,000	0	0	0	0
Total Source of Funds	29,035,235	23,201,832	23,201,832	13,385,235	15,273,782
Expenditures					
7057 - Asset Management Program	52,668	200,000	200,000	150,000	150,000
7005 - Buildings and Grounds	68,947	865,000	865,000	1,515,000	1,515,000
7054 - Distribution System Replacement/Restoration	2,482,790	1,979,774	1,979,774	2,000,000	2,000,000
7059 - New and Replacement Wells	2,776	3,100,000	3,100,000	1,000,000	1,000,000
7058 - SCADA Improvements	69,902	500,000	500,000	500,000	500,000
7060 - Tank Rehabilitation	3,156,320	0	0	0	0
Total Expenditures	5,833,403	6,644,774	6,644,774	5,165,000	5,165,000
Transfers To					
General Government Capital Fund	0	20,226	20,226	0	0
Public Buildings Capital Fund	0	1,263,050	1,263,050	0	0
Total Transfers To	0	1,283,276	1,283,276	0	0
Ending Fund Balance					
Encumbrance Carryover	1,368,212	1,368,212	1,368,212	4,615,672	1,368,212
Unrestricted	21,833,620	13,905,570	13,905,570	3,604,563	8,740,570
Total Ending Fund Balance	23,201,832	15,273,782	15,273,782	8,220,235	10,108,782
Total Use of Funds	29,035,235	23,201,832	23,201,832	13,385,235	15,273,782

This page is intentionally left blank.

Other Agency Fund

This page is intentionally left blank.



OTHER AGENCY FUND

The Sports and Open Space Authority (SOSA) of the City of Santa Clara was created by the City Council in 1974 to establish a separate entity to acquire and develop open space within the City of Santa Clara. The members of the City Council are also members of SOSA's Board of Directors and, as such, are authorized to transact business and exercise power to purchase, lease or otherwise obtain and dispose of real and personal property. This includes the ability to acquire, construct, maintain, repair, manage and operate real and personal property, including leasing to private operators for commercial purposes and surplus space which is not economical to use for open space planning.

Sports and Open Space Authority Fund (801)

This fund accounts for the acquisition and preservation of open space within the City and the development of local sports activities.

The following section details the Other Agency Fund's Statement of Sources and Uses and the Proposed Budget for Fiscal Year 2023/24 and Fiscal Year 2024/25.



OTHER AGENCY FUND | SPORTS AND OPEN SPACE AUTHORITY FUND (801)

	2021/22 Actual	2022/23 Amended	2022/23 Estimate	2023/24 Proposed	2024/25 Proposed
Beginning Fund Balance					
Unrestricted	13,686	4,662	4,662	1,392	1,392
Total Beginning Fund Balance	13,686	4,662	4,662	1,392	1,392
Revenue					
Interest	139	250	250	0	0
Total Revenue	139	250	250	0	0
Transfers From					
General Fund	0	6,000	6,000	10,000	10,200
Total Transfers From	0	6,000	6,000	10,000	10,200
Total Source of Funds	13,825	10,912	10,912	11,392	11,592
Expenditures					
Board Member Stipend	4,590	4,920	4,920	5,000	5,100
Materials/Services/Supplies	4,573	4,600	4,600	5,000	5,100
Total Expenditures	9,163	9,520	9,520	10,000	10,200
Ending Fund Balance					
Unrestricted	4,662	1,392	1,392	1,392	1,392
Total Ending Fund Balance	4,662	1,392	1,392	1,392	1,392
Total Use of Funds	13,825	10,912	10,912	11,392	11,592

City Departments

This page is intentionally left blank.

Mayor and City Council Offices

This page is intentionally left blank.

Mayor and City Council Offices Description

The City Council consists of a Mayor who is elected at-large and six Councilmembers that are elected by district and serve staggered four-year terms. The Council, as the legislative body, represents the residents of Santa Clara and is empowered by the City Charter to formulate Citywide policy, enact local legislation, adopt budgets, and appoint the City Manager, City Attorney and City Auditor. The Council conducts City Council meetings and study sessions as required.

The Mayor and Councilmembers serve on county, regional, and State organizations representing the City's interests. The Mayor and Councilmembers also serve as Agency and Authority Board Members, Commissioners or Directors of the Bayshore North Project Enhancement Authority, Housing Authority, Industrial Development Agency, Joint Financing Authority, Public Facilities Financing Corporation, Sports and Open Space Authority, Stadium Authority, and Oversight Board for Successor Agency to the City of Santa Clara Redevelopment Agency.

Divisions and Services

The Mayor and Councilmembers are supported by the Mayor and City Council Offices staff. The Mayor and City Council Offices are organized under the Mayor and City Council Division.

Mayor and City Council Division Mission	Assist the Mayor and Councilmembers with implementation of established policies, goals, and objectives.
	Assist Mayor and Councilmembers in scheduling appointments, making travel arrangements, and corresponding with legislators, constituents, and members of the community.
	Assist with the coordination of meetings for several City committees and several area wide/outside agency committees.
Division Objectives	Coordinate concerns from members of the community in an effort to increase transparency and responsiveness.
	Provide support to Mayor and City Council on all administrative needs and research needs, including support for Council Committee and intergovernmental assignments.
	Provide general administrative support to the Mayor and Councilmembers.

Significant Accomplishments

- Supported the City Council with its policy priorities.
- Maintained compliance with applicable requirements, e.g., calendar disclosures, public records requests, and other government transparency requirements.
- Provided direct support to the Mayor and City Council on all administrative needs and research needs, including administrative support for Council Committee and intergovernmental assignments.
- Supported the reinstatement of the Governance and Ethics Committee and overseeing the priorities and meetings as part of Council Committee support.
- Managed, reviewed, and analyzed a high volume of Public Record Act (PRA) requests assigned to the Mayor and Council Offices.
- Coordinated with appropriate departments for review and coordination of legislative requests and legislative advocacy positions.
- Provided administrative support to the Governance and Ethics Committee, Economic Development, Communications, and Marketing Committee.
- Responded to constituent concerns and inquiries in a timely manner and within three business days.
- Approved and processed proclamations, commendations, and recognition requests in time for events.
- Responded to requests for Mayor and/or Council's appearance within three business days.
- Provided logistical support for various City and public events including the Pride flag raising ceremony.

Budget Highlights

- Reduces the operating supplies budget to help address the General Fund deficit.
- Reallocates 1.0 Assistant to the City Manager from the City Manager's Office to reflect actual workload.

Mayor and City Council Travel

In accordance with the City's administrative policy on official travel by elected officials, Council Policy 043, official travel is approved in advance annually with the Mayor and City Council Offices' Operating Budget. The following are the conferences, meetings and events that are anticipated for Mayor and Councilmembers' attendance:

Conference	FY 2023/24 Budget	FY 2024/25 Budget
National League of Cities Annual Conference	4,687	4,781
League of California Cities Annual Conference	13,194	13,590
League of California Cities New Members Academy	0	7,300
League of California Cities Workshops	3,183	3,247
Official Local Policy Related Events/Meetings/Trainings	7,177	7,421
Sister Cities Annual Conference	4,114	4,196
Sister Cities International Travel to Sister Cities of Coimbra, Izumo, or Limerick and related travel	20,000	20,000
United States Conference of Mayors Winter Meeting	2,868	2,925
United States Conference of Mayors Annual Conference	3,219	3,283
Total Conference Budget	58,442	66,743



**Mayor and City Council
Offices**

10.00 FTEs

Mayor and City Council

1.00 Mayor*
6.00 Councilmember*
1.00 Assistant to the City Manager
1.00 Executive Assistant to Mayor and City Council
1.00 Management Analyst

10.00 Total Mayor and City Council FTE

*Mayor and Councilmember positions shown as 7.0
FTE positions



Budget Summary

	FY 2021/22 Actual	FY 202/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program						
Mayor and City Council Division						
1611 City Council Program	780,877	861,105	1,124,281	30.6%	1,176,723	4.7%
Total Mayor and City Council Division	780,877	861,105	1,124,281	30.6%	1,176,723	4.7%
Total by Division / Program	780,877	861,105	1,124,281	30.6%	1,176,723	4.7%

	FY 2021/22 Actual	FY 202/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Fund						
General Fund	780,877	861,105	1,124,281	30.6%	1,176,723	4.7%
Total by Fund	780,877	861,105	1,124,281	30.6%	1,176,723	4.7%

Dollars by Category						
Salary and Benefits						
Salary	365,335	403,079	587,609	45.8%	613,873	4.5%
As-Needed	81,762	17,479	18,721	7.1%	20,006	6.9%
Overtime	0	554	573	3.4%	593	3.5%
Retirement	128,752	134,967	192,127	42.4%	201,576	4.9%
Health Allocation	16,005	24,842	56,610	127.9%	59,320	4.8%
Medicare	6,468	5,975	8,927	49.4%	9,312	4.3%
Social Security	16,837	15,173	24,924	64.3%	25,828	3.6%
Other Benefits	12,050	13,473	24,391	81.0%	25,151	3.1%
Total Salary and Benefits	627,209	615,542	913,882	48.5%	955,659	4.6%
Non-Personnel						
Materials/Services/Supplies	26,851	112,459	102,391	(9.0%)	113,921	11.3%
Interfund Services	126,817	133,104	108,008	(18.9%)	107,143	(0.8%)
Total Non-Personnel	153,668	245,563	210,399	(14.3%)	221,064	5.1%
Total by Category	780,877	861,105	1,124,281	30.6%	1,176,723	4.7%



Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Division / Program					
Mayor and City Council Division					
1611 City Council Program	9.00	9.00	10.00	1.00	10.00
Total Mayor and City Council Division	9.00	9.00	10.00	1.00	10.00
Total by Division / Program	9.00	9.00	10.00	1.00	10.00
Positions by Fund					
General Fund	9.00	9.00	10.00	1.00	10.00
Total by Fund	9.00	9.00	10.00	1.00	10.00
Position Classification					
Mayor	1.00	1.00	1.00	0.00	1.00
City Councilmember	6.00	6.00	6.00	0.00	6.00
Assistant to the City Manager	0.00	0.00	1.00	1.00	1.00
Executive Assistant to Mayor and City Council	1.00	1.00	1.00	0.00	1.00
Management Analyst	0.00	1.00	1.00	0.00	1.00
Staff Analyst I	1.00	0.00	0.00	0.00	0.00
Total Positions	9.00	9.00	10.00	1.00	10.00




Budget Reconciliation

	Positions	Expenditures (All Funds)
Prior Year Budget	9.00	861,105
FY 2023/24 Base Budget Adjustments		
Ongoing Cost Adjustments		
Salary and benefits adjustments		10,277
Reallocation of 1.0 Assistant to the City Manager from the City Manager's Office	1.00	288,063
Net decrease in various interfund services allocations		(25,096)
Non-personnel adjustments		(8,068)
Total FY 2023/24 Base Budget Adjustments	1.00	265,176
Total FY 2023/24 Base Budget	10.00	1,126,281
Service Level Changes		
Reduction in Operating Supplies		(2,000)
Total Service Level Changes	0.00	(2,000)
Total FY 2023/24 Proposed Budget	10.00	1,124,281
FY 2024/25 Base Budget Adjustments		
Ongoing Cost Adjustments		
Salary and benefits adjustments		41,777
Non-personnel adjustments		11,570
Net decrease in various interfund services allocations		(865)
Total FY 2024/25 Base Budget Adjustments	0.00	52,482
Total FY 2024/25 Base Budget	10.00	1,176,763
Service Level Changes		
Reduction in Operating Supplies		(40)
Total Service Level Changes	0.00	(40)
Total FY 2024/25 Proposed Budget	10.00	1,176,723







Service Level Changes

		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Operating Supplies Reduction	0.00	0	(2,000)	0	(2,040)
Program: 1611 – City Council Program					
This proposal reduces the Mayor and City Council Offices operating supplies budget from \$31,887 to \$29,887. The remaining supplies budget is anticipated to be sufficient for the Department.					
Performance Impact					
This reduction is anticipated to have minimal impact to service delivery.					
Strategic Pillar:	 Manage Strategically Our Workforce Capacity and Resources				



Performance and Workload Measures

Mayor and City Council Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percent of forwarded constituent concerns and inquiries to City Manager and appropriate City Department Directors within three business days – <i>Modified for FY 2023/24</i>		98%	100%	100%	98%	100%	100%
Percent of approved proclamations, commendations, and recognitions processed in time for events – <i>Modified for FY 2023/24</i>		98%	100%	100%	100%	100%	100%
Percent of complete travel requests and reimbursements processed within two weeks of receiving needed documentation and receipts		100%	100%	100%	100%	100%	100%
Percent of response to requests for Mayor and/or Council's personal appearance at events within one week of requests – <i>Modified for FY 2023/24</i>		96%	100%	100%	100%	100%	100%

City Attorney's Office

This page is intentionally left blank.

City Attorney's Office Description

Section 908 of the City of Santa Clara Charter provides:

The responsibilities of the City Attorney's Office consist of the following: represent and advise the City Council and all City officers in all matters of law pertaining to their offices; represent and appear on behalf of the City and any City officer or employee in all legal actions or proceedings which the City or any such officer or employee, in or by reason of his/her official capacity is a party; provide the City Council with information and advice regarding ongoing litigation and legislation affecting the City; attend all meetings of the City Council and give advice or an opinion in writing whenever requested to do so by the City Council or officers of the City; staff board and commission meetings as necessary; approve the form of all bonds given to and all contracts made by the City, endorsing approval thereon in writing; review and approve all ordinances and resolutions and amendments thereof; prosecute cases for violation of the Charter and City ordinances; and assist and provide training on current issues in the law and City policy as needed.

The City Attorney's Office will continue to provide legal advice and support on matters initiated by the City Council, City Manager's Office, and City departments, including managing all of the claims and litigation of the City, conducting legal research and providing advice to decision-makers, and drafting, reviewing, and negotiating contracts, leases, licenses, policies, resolutions, ordinances, Public Records Act requests responses, Council reports, and a variety of other documents.

Divisions and Services

The City Attorney's Division is organized under the City Attorney's Office. There are several areas which the Division is split amongst including Court and Trial, Contract and Transaction, Research and Opinion, and Library and Clerical.

City Attorney Division Mission	Provide professional municipal legal services to the City Council, policy makers, boards, commissions, and staff in their official capacities.
	<p>The Court and Trial Division shall provide hearing and trial counsel services, handle discovery and other necessary proceedings incident to hearings and trials.</p> <p>The Contract and Transaction Division shall assist various City departments in negotiating and preparing complex agreements, legal documents, etc.; prepare correspondence and answer complex inquiries from City departments, other agencies, and third parties; with special assistance, participate in preparing civil cases and administrative cases in utility matters.</p>
Division Objectives	<p>The Research and Opinion Division shall interpret the law, prepare legal opinions, and prepare and review resolutions, ordinances, bonds, invitations for bids and proposals, contracts, deeds, and related instruments; prosecute actions involving City ordinances; prepare correspondence and answer routine inquiries from City departments and other agencies.</p> <p>The Library and Clerical Division shall maintain the law library and perform all secretarial and clerical duties required in support of the City Attorney and divisions of the City Attorney's Office as are assigned or directed, and other related work as is assigned.</p>

Significant Accomplishments

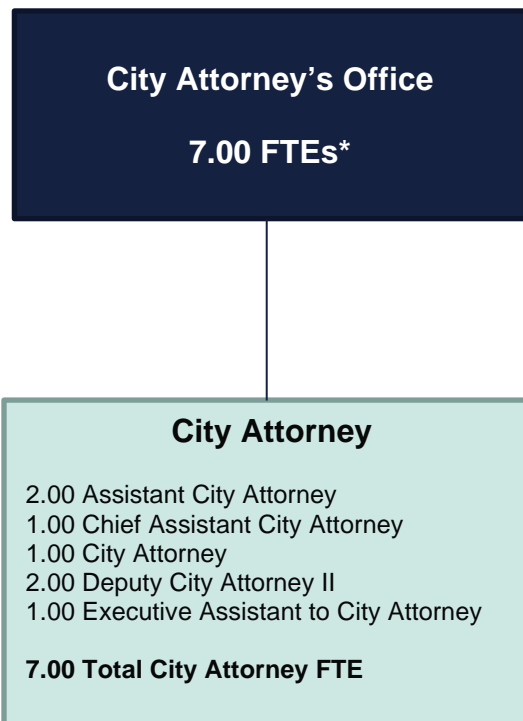
- A sample of significant accomplishments during FY 2022/23 includes the implementation of:
 - New police transparency laws
 - Updating of Stadium procurement regulations
 - Resolution of numerous significant litigation matters
 - Two revenue generating ballot measures
 - City Place Project ground lease for Phase 1
 - Close of four affordable housing projects (Mainline, Monroe, Kifer and Calabazas conversion)
 - Drafting and environmental review of two specific plans (Patrick Henry Drive and Freedom Circle)
 - Completed review draft of zoning ordinance update
 - City-wide purchasing code update ordinance
 - MOU with County for Psychiatric Emergency Response Team program in Santa Clara
 - Management and oversight of 194 claims and litigation matters
- Implemented new case management system, Advologix, to accurately manage and track transactional and litigation matters for City departments and Stadium Authority to provide more efficient legal services and better reporting to City Council and City Staff.
- Completed approximately 1,677 legal service requests, which included legal advice, review and negotiations of contracts, leases, licenses, policies and many other documents related to the day-to-day operations of the City of Santa Clara, including all major projects and policy initiatives, while maintaining full City Attorney operations during the COVID-19 pandemic under reduced staffing and budget.

Significant Objectives

- Assist with Stadium issues including major event planning
- Assist with comprehensive Zoning Ordinance Update
- Assist with governance and election issues
- Assist with City Administration improvements in various policies and programs
- Continue with internal CAO process improvements
- Enhance training programs, including an expanded in-house AB 1234 training program

Budget Highlights

- Freeze 1.0 Assistant City Attorney to help address the General Fund shortfall.
- Add funding for outside legal services to alleviate service delivery impacts of proposed freeze of the 1.0 Assistant City Attorney.



* 1.0 Assistant City Attorney position is proposed to be frozen for FY 2023/24 and FY 2024/25

Budget Summary

	FY 2021/22 Actual	FY 202/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program						
City Attorney Division						
2411 Program Administration	1,255,373	1,487,054	1,385,779	(6.8%)	1,436,135	3.6%
2412 Program Litigation	1,284,988	1,715,681	1,690,737	(1.5%)	1,769,567	4.7%
Total City Attorney Division	2,540,361	3,202,735	3,076,516	(3.9%)	3,205,702	4.2%
Total by Division / Program	2,540,361	3,202,735	3,076,516	(3.9%)	3,205,702	4.2%

	FY 2021/22 Actual	FY 202/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Fund						
General Fund	2,530,461	3,202,735	3,076,516	(3.9%)	3,205,702	4.2%
Other City Departments Operating Grant	6,985	0	0	N/A	0	N/A
Trust Fund						
Prefunded Plan Review Fund	2,915	0	0	N/A	0	N/A
Total by Fund	2,540,361	3,202,735	3,076,516	(3.9%)	3,205,702	4.2%

Dollars by Category						
Salary and Benefits						
Salary	1,340,683	1,699,701	1,573,416	(7.4%)	1,640,044	4.2%
As-Needed	25,081	50,915	52,664	3.4%	54,475	3.4%
Retirement	378,233	635,728	603,793	(5.0%)	635,677	5.3%
Health Allocation	74,342	88,714	114,403	29.0%	120,574	5.4%
Medicare	20,421	27,138	25,090	(7.5%)	26,129	4.1%
Social Security	53,776	66,911	66,626	(0.4%)	67,370	1.1%
Other Benefits	53,549	64,705	57,181	(11.6%)	58,907	3.0%
Total Salary and Benefits	1,946,085	2,633,812	2,493,173	(5.3%)	2,603,176	4.4%
Non-Personnel						
Materials/Services/Supplies	449,396	407,544	515,748	26.6%	535,643	3.9%
Interfund Services	144,880	161,379	67,595	(58.1%)	66,883	(1.1%)
Total Non-Personnel	594,276	568,923	583,343	2.5%	602,526	3.3%
Total by Category	2,540,361	3,202,735	3,076,516	(3.9%)	3,205,702	4.2%



Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Division / Program					
City Attorney Division					
2411 Program Administration	5.60	5.60	3.40	(2.20)	3.40
2412 Program Litigation	2.40	2.40	3.60	1.20	3.60
Total City Attorney Division	8.00	8.00	7.00	(1.00)	7.00
Total by Division / Program	8.00	8.00	7.00	(1.00)	7.00
	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Fund					
General Fund	8.00	8.00	7.00	(1.00)	7.00
Total by Fund	8.00	8.00	7.00	(1.00)	7.00
Position Classification					
Assistant City Attorney	3.00	3.00	2.00	(1.00)	2.00
Chief Assistant City Attorney	1.00	1.00	1.00	0.00	1.00
City Attorney	1.00	1.00	1.00	0.00	1.00
Deputy City Attorney II	2.00	2.00	2.00	0.00	2.00
Executive Assistant to City Attorney	1.00	1.00	1.00	0.00	1.00
Total Positions	8.00	8.00	7.00	(1.00)	7.00



Budget Reconciliation

	Positions	Expenditures (All Funds)
Prior Year Budget	8.00	3,202,735
FY 2023/24 Base Budget Adjustments		
Ongoing Cost Adjustments		
Salary and benefits adjustments		138,192
Non-personnel adjustments		7,877
Reallocation of publication items to the City Clerk's Office		(14,504)
Net decrease in various internal service fund allocations		(93,784)
Total FY 2023/24 Base Budget Adjustments	0.00	37,781
Total FY 2023/24 Base Budget	8.00	3,240,516
Service Level Changes		
Freeze 1.0 Assistant City Attorney and Adjustment to Outside Legal Counsel	(1.00)	(164,000)
Total Service Level Changes	(1.00)	(164,000)
Total FY 2023/24 Proposed Budget	7.00	3,076,516
FY 2024/25 Base Budget Adjustments		
Ongoing Cost Adjustments		
Salary and benefits adjustments		125,432
Non-personnel adjustments		7,746
Net decrease in various internal service fund allocations		(712)
Total FY 2024/25 Base Budget Adjustments	0.00	132,466
Total FY 2024/25 Base Budget	7.00	3,208,982
Service Level Changes		
Freeze 1.0 Assistant City Attorney and Adjustment to Outside Legal Counsel		(3,280)
Total Service Level Changes	0.00	(3,280)
Total FY 2024/25 Proposed Budget	7.00	3,205,702



Service Level Changes

Title	Positions	FY 2023/24		FY 2024/25	
		One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Freeze 1.0 Assistant City Attorney Position and Adjustment to Outside Legal Counsel	(1.00)	(164,000)	0	(167,280)	0

Program: 2411 – Program Administration
2412 – Program Litigation

This proposal freezes 1.0 vacant Assistant City Attorney position that supports the Public Works and Water and Sewer Utilities Departments. It is anticipated that response and review times for departments citywide will be impacted as the City Attorney's Office works to absorb some of this position's duties. This proposal also increases the outside legal counsel budget in the amount of \$114,831, from \$260,100 to \$374,931, in order to mitigate some of these anticipated work delays, particularly for the Public Work and Water and Sewer Utilities Departments.

Performance Impact

While the City Attorney's Office staff works to take on some duties performed by this position, delays in response and review time are still anticipated. The Department will work to alleviate delays through the use of outside legal counsel.







Strategic Pillar:



Manage Strategically Our Workforce Capacity and Resources



Performance and Workload Measures

City Attorney Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Number of legal service requests reviewed within ten working days after receipt from the Department		1,793	2,489	1,800	1,800	1,800	1,800
Number of training sessions presented for City officials and staff		5	5	5	9	5	5
Number of ordinances and resolutions drafted or reviewed by CAO		85	144	40	100	100	100
Issue quarterly litigation status reports		4	4	4	4	4	4
Review, on a quarterly basis, the status of all workers' compensation claims and provide direction regarding litigation and claim review as needed to City staff and outside counsel		4	4	4	200	200	200
Prosecute cases for violations of City Code		75	40	40	20	20	20

City Clerk's Office

This page is intentionally left blank.

Elected City Clerk's Office

The Elected City Clerk duties are to (a) be the custodian of the seal of the City and (b) have charge of all City Elections. The Elected City Clerk would maintain sole responsibility for administering all aspects of City elections (e.g., Mayor, City Council, and Chief of Police).

Divisions and Services

The Elected City Clerk's Office is a division organized under the City Clerk's Office.

Elected City Clerk Division Mission	Ethically serve the needs of the citizens of the community by facilitating all aspects of City elections in accordance with the City Charter, Municipal Code, California Elections Code and Political Reform Act.
Division Objectives	To develop and execute strategies to broaden outreach throughout the community to increase transparency and education.
	To design and implement new City initiatives related to Measure N, which changed the method of elections from at-large to by-district voting for City Councilmembers, excluding the Mayor.
	To increase voter registration in the City through effective community engagement programs such as citizens outreach.

Significant Accomplishments

- Successfully completed the November 2022 General Municipal Election, which encompassed two council district seats, the Mayor, and two ballot measures.

Significant Objectives

- Continue to focus on redistricting efforts in FY 2023/24.

Budget Highlights

- Reduces the elections and initiative outreach budget on an ongoing basis to help address the General Fund deficit.



Elected City Clerk's Office

1.00 FTEs

Elected City Clerk

1.00 City Clerk*

1.00 Total Elected City Clerk FTE

*City Clerk position shown as 1.0 FTE position



Budget Summary

	FY 2021/22 Actual	FY 202/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program						
Elected City Clerk Division						
2314 City Clerk-Elections	91,724	488,454	432,508	(11.5%)	493,346	14.1%
Total Elected City Clerk Division	91,724	488,454	432,508	(11.5%)	493,346	14.1%
Total by Division / Program	91,724	488,454	432,508	(11.5%)	493,346	14.1%

	FY 2021/22 Actual	FY 202/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Fund						
General Fund	91,724	488,454	432,508	(11.5%)	493,346	14.1%
Total by Fund	91,724	488,454	432,508	(11.5%)	493,346	14.1%

Dollars by Category						
Salary and Benefits						
Salary	18,054	24,000	24,000	0.0%	24,000	0.0%
Retirement	6,258	8,419	8,160	(3.1%)	8,198	0.5%
Medicare	261	348	348	0.0%	348	0.0%
Total Salary and Benefits	24,573	32,767	32,508	(0.8%)	32,546	0.1%
Non-Personnel						
Materials/Services/Supplies	65,750	454,040	400,000	(11.9%)	460,800	15.2%
Interfund Services	1,401	1,647	0	(100.0%)	0	0.0%
Total Non-Personnel	67,151	455,687	400,000	(12.2%)	460,800	15.2%
Total by Category	91,724	488,454	432,508	(11.5%)	493,346	14.1%



Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Division / Program					
Elected City Clerk Division					
2314 Elections	1.00	1.00	1.00	0.00	1.00
Total Elected City Clerk Division	1.00	1.00	1.00	0.00	1.00
Total by Division / Program	1.00	1.00	1.00	0.00	1.00

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Fund					
General Fund	1.00	1.00	1.00	0.00	1.00
Total by Fund	1.00	1.00	1.00	0.00	1.00

Position Classification					
City Clerk	1.00	1.00	1.00	0.00	1.00
Total Positions	1.00	1.00	1.00	0.00	1.00



Budget Reconciliation

	Positions	Expenditures (All Funds)
Prior Year Budget	1.00	488,454
FY 2023/24 Base Budget Adjustments		
One-Time Cost Adjustments		
Increase in Election Costs (for Special Election)		10,000
Ongoing Cost Adjustments		
Salary and benefits adjustments		(259)
Non-personnel adjustments		2,080
Net decrease in internal service fund allocations		(1,647)
Total FY 2023/24 Base Budget Adjustments	0.00	10,174
Total FY 2023/24 Base Budget	1.00	498,628
FY 2023/24 Service Level Changes		
Elections and Initiative Outreach Reduction		(66,120)
Total Service Level Changes	0.00	(66,120)
Total FY 2023/24 Proposed Budget	1.00	432,508
FY 2024/25 Base Budget Adjustments		
Ongoing Cost Adjustments		
Increase in Election Costs (bi-annually)		60,000
Salary and benefits adjustments		38
Non-personnel adjustments		2,122
Total FY 2024/25 Base Budget Adjustments	0.00	62,160
Total FY 2024/25 Base Budget	1.00	494,668
FY 2024/25 Service Level Changes		
Elections and Initiative Outreach Reduction		(1,322)
Total Service Level Changes	0.00	(1,322)
Total FY 2024/25 Proposed Budget	1.00	493,346



Service Level Changes

		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Elections and Initiative Outreach Reduction	0.00	0	(66,120)	0	(67,442)

Program: 2314 – Elections

This proposal reduces the Elected City Clerk's initiatives and elections outreach budget by \$66,120, from \$106,120 to \$40,000. This budget provides funding for the development and implementation of strategies to increase voter outreach and participation as well as promote community engagement. Based on historical spending, it is anticipated that the remaining funding will be sufficient to cover any expenses related to these items.

Performance Impact

The City Clerk’s Office is anticipating no service delivery impact with this reduction.




Strategic Pillar:



Manage Strategically Our Workforce Capacity and Resources



Performance and Workload Measures

Elected City Clerk Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percent of Campaign Disclosure Statements distributed		100%	100%	100%	100%	100%	100%
Workload Measures							
Number of Campaign Disclosure Statements processed		87	35	50	82	50	50
Number of elections held		1	1	1	1	1	1

Assistant City Clerk's Office Description

The Assistant City Clerk oversees the day-to-day operations of the City Clerk's Office. The Office of the Assistant City Clerk processes the agendas for and attends all meetings of the Council and Authorities Concurrent and Stadium Authority meetings, maintains accurate and up-to-date records of the proceedings of those meetings and makes those records open for public inspection. The Office of the Assistant City Clerk processes and maintains copies of City contracts, ordinances, resolutions and other official documents. The Office of the Assistant City Clerk manages and compiles City records in accordance with the Records Retention Schedule and in response to Public Records Act requests. The Office of the Assistant City Clerk administers campaign and disclosure laws, the Campaign Finance Ordinance, Regulation of Lobbying Activities program and the Calendars of Certain City Officials program. The Office of the Assistant City Clerk also administers oaths of affirmation pertaining to the affairs and business of the City and certifies copies of official records.

Divisions and Services

The Assistant City Clerk's Office is organized under the City Clerk's Office.

Assistant City Clerk Division Mission	Maintain and ensure that all official records and documents are accessible to the public; ensure timely publication, posting and/or mailing of ordinances, resolutions, calendars of certain City Officials, lobbyist registration forms and semi-annual reports, and other notices; attend and keep an accurate record of Council meetings; and respond to all requests for information efficiently and courteously.
Division Objectives	To continue to work with all City departments to ensure accuracy of the Records Retention Schedules with emphasis on electronic records and historical and vital records.
	To continue to work with the Information Technology Department and the City Attorney's Office to ensure integrity and compliance with the Records Retention Program, including updating the Records Retention Schedules.
	To continue the records management software training for City staff and work with departments to inventory and classify records.
	To continue to track agreements for all City departments to ensure that active agreements are readily available and inactive agreements are retained according to retention schedules.

Significant Accomplishments

- Transitioned and supported all public meetings (Council, Stadium Authority, Boards, Commissions, and Committees) to hybrid meetings via Zoom and in-person meetings.
- Increased Lobbyist Fees for full cost recovery of the program.
- Assistant City Clerk worked closely with the City Clerk to implement and conduct the November 2022 General Municipal Election.
- Collaborated with departments citywide to enter and retain City records through Electronic Document Management system – Laserfiche.
- Collaborated with IT and Human Resources on digitalizing employee records and open enrollment forms through the city's electronic document management Laserfiche.

Significant Objectives

- Implement and support enhanced functionality for the enterprise document management system as a citywide resource for records management, the use of forms, compatibility with mobile devices and other functionality as appropriate.
- Identify and focus on key elements of the enterprise document management systems that will enhance productivity and increase transparency through the public meeting process and access to information. Continue to provide prompt and thorough responses to requests for public records and to assure that all official records and document are accessible to the public.

Budget Highlights

- Eliminates funding for the City's old records management software that is no longer needed as the City has upgraded to a different software.



Assistant City Clerk's Office

6.00 FTEs

Assistant City Clerk

1.00 Assistant City Clerk
1.00 Deputy City Clerk
1.00 Office Records Specialist
1.00 Senior Management Analyst
2.00 Staff Aide I

6.00 Total Assistant City Clerk FTE



Budget Summary

	FY 2021/22 Actual	FY 202/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program						
Assistant City Clerk Division						
2311 City Clerk- Council Admin Support	361,566	474,791	390,812	(17.7%)	401,256	2.7%
2312 City Clerk-Public Info	664,757	821,650	831,265	1.2%	865,544	4.1%
2313 City Clerk-Political Reforms	337,236	291,217	292,676	0.5%	306,922	4.9%
Total Assistant City Clerk Division	1,363,559	1,587,658	1,514,753	(4.6%)	1,573,722	3.9%
Total by Division / Program	1,363,559	1,587,658	1,514,753	(4.6%)	1,573,722	3.9%
Dollars by Fund						
General Fund	1,363,519	1,587,658	1,514,753	(4.6%)	1,573,722	3.9%
Other City Departments Operating Grant Trust Fund	40	0	0	N/A	0	N/A
Total by Fund	1,363,559	1,587,658	1,514,753	(4.6%)	1,573,722	3.9%
Dollars by Category						
Salary and Benefits						
Salary	478,752	708,033	666,284	(5.9%)	697,141	4.6%
As-Needed	119,306	48,543	51,020	5.1%	53,583	5.0%
Overtime	0	1,035	1,071	3.5%	1,108	3.5%
Retirement	261,205	285,099	256,761	(9.9%)	269,726	5.0%
Health Allocations	47,343	80,946	102,676	26.8%	108,145	5.3%
Medicare	9,663	10,935	11,278	3.1%	11,777	4.4%
Social Security	37,894	43,712	46,321	6.0%	48,067	3.8%
Other Benefits	30,391	41,623	42,395	1.9%	43,898	3.5%
Total Salary and Benefits	984,554	1,219,926	1,177,806	(3.5%)	1,233,445	4.7%
Non-Personnel						
Materials/Services/Supplies	212,436	216,627	225,461	4.1%	229,966	2.0%
Interfund Services	143,488	151,105	111,486	(26.2%)	110,311	(1.1%)
Capital Outlay	23,081	0	0	N/A	0	N/A
Total Non-Personnel	379,005	367,732	336,947	(8.4%)	340,277	1.0%
Total by Category	1,363,559	1,587,658	1,514,753	(4.6%)	1,573,722	3.9%



Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted*	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Division / Program					
Assistant City Clerk Division					
2311 Council/Administration Support	1.50	1.50	1.50	0.00	1.50
2312 Public Information/Legislative Records Management	2.10	3.10	3.10	0.00	3.10
2313 Political Reform Act	1.40	1.40	1.40	0.00	1.40
Total Assistant City Clerk Division	5.00	6.00	6.00	0.00	6.00
Total by Division / Program	5.00	6.00	6.00	0.00	6.00

	FY 2021/22 Adopted	FY 2022/23 Adopted*	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Fund					
General Fund	5.00	6.00	6.00	0.00	6.00
Total by Fund	5.00	6.00	6.00	0.00	6.00

Position Classification					
Assistant City Clerk	1.00	1.00	1.00	0.00	1.00
Deputy City Clerk	1.00	1.00	1.00	0.00	1.00
Office Records Specialist	1.00	1.00	1.00	0.00	1.00
Sr. Management Analyst	0.00	1.00	1.00	0.00	1.00
Staff Aide I	2.00	2.00	2.00	0.00	2.00
Total Positions	5.00	6.00	6.00	0.00	6.00

**The position count includes the unfreezing and reclassification of 1.0 Deputy City Clerk position to 1.0 Senior Management Analyst position, as approved as part of the FY 2022/23 and FY 2023/24 Adopted Capital Improvement Program Budget.*



Budget Reconciliation

	Positions	Expenditures (All Funds)
Prior Year Budget	6.00	1,587,658
FY 2023/24 Base Budget Adjustments		
Ongoing Cost Adjustments		
Salary and benefits adjustments		(42,120)
Reallocation of publication items from the City Attorney's Office		14,504
Non-personnel adjustments		4,330
Net decrease in internal service fund allocations		(39,619)
Total FY 2023/24 Base Budget Adjustments	0.00	(62,905)
Total FY 2023/24 Base Budget	6.00	1,524,753
Service Level Changes		
Sire Records Management System Reduction		(10,000)
Total Service Level Changes	0.00	(10,000)
Total FY 2023/24 Proposed Budget	6.00	1,514,753
FY 2024/25 Base Budget Adjustments		
Ongoing Cost Adjustments		
Salary and benefits adjustments		55,639
Non-personnel adjustments		4,705
Net decrease in internal service fund allocations		(1,175)
Total FY 2024/25 Base Budget Adjustments	0.00	59,169
Total FY 2024/25 Base Budget	6.00	1,573,922
Service Level Changes		
Sire Records Management System Reduction		(200)
Total Service Level Changes	0.00	(200)
Total FY 2024/25 Proposed Budget	6.00	1,573,722



Service Level Changes

		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Sire Records Management Software Reduction	0.00	0	(10,000)	0	(10,200)


Program: 2312 – Public Information/Legislation Records Management

This proposal reduces the Assistant City Clerk's contractual services budget by \$10,000. This amount reflects funding for the City's previous records management software. As the City has upgraded to a different software, this funding is no longer necessary and no service level impact is expected.

Performance Impact

The City Clerk's Office is anticipating no service delivery impact with this reduction.




Strategic Pillar:



Manage Strategically Our Workforce Capacity and Resources



Performance and Workload Measures

Assistant City Clerk Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percent of records authorized and provided by the department for destruction are destroyed within 30 days		100%	100%	100%	0%	100%	100%
Percent of City Council reports available online four days prior to the meeting		100%	N/A	100%	100%	100%	100%
Workload Measures							
Number of Conflict of Interest forms processed		410	301	300	314	250	250

This page is intentionally left blank.

City Auditor's Office

This page is intentionally left blank.



City Auditor Division Description

The City Auditor’s Office is an independent office that reports to the Audit Committee and City Council. The Office conducts performance audits and reviews of City departments, programs and services, and makes recommendations to strengthen accountability and improve efficiencies and effectiveness of City programs and business processes. The audits may assess internal controls over financial reporting and evaluate the adequacy of system of internal controls, and compliance with applicable laws, rules, regulations, and City policies and procedures.

The Office prepares an annual audit work plan for the City Council’s approval and issues semi-annual audit status reports and annual follow-up reports on outstanding audit recommendations to the City Council for review.

The Office provides oversight of external auditors regarding the City’s annual financial audit, single audit, annual compliance review with the City’s Investment Policy, performance audits and related financial audits. The City Auditor’s Office is also responsible for the Stadium Authority’s annual financial audit.

Additionally, the Office administers the City’s Fraud Hotline program and performs investigations for all material complaints received related to fraud, waste, and abuse.

Divisions and Services

The City Auditor Division is organized independently from operations.

City Auditor Division Mission	The City Auditor’s Office mission is to promote honest, efficient, effective and fully accountable city government through accurate, independent and objective audits.
Division Objectives	Establish performance audits within the organization to better understand how our programs are performing in comparison with neighboring jurisdictions.
	Conduct in-depth financial and performance audits.
	Oversee the City’s performance management system, auditing and approving all bills, invoices, payrolls, demands or charges against the City before payment.

Significant Accomplishments

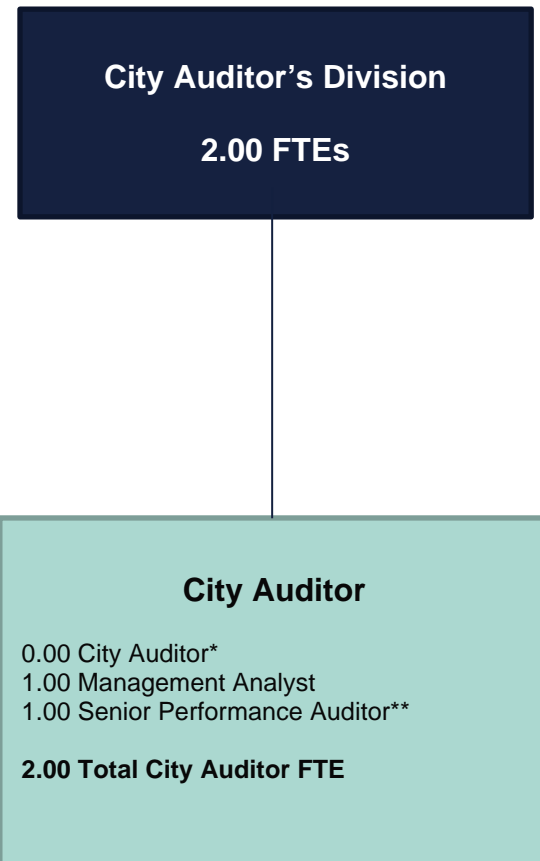
- Completed the annual cash disbursement review for the City of Santa Clara.
- Completed procurement and continuous oversight of the annual financial audit contracts for the City and Santa Clara Stadium Authority.
- Completed a comprehensive fraud, waste, and abuse policy to establish controls that will aid in the detection of fraud, waste, and abuse against the City.
- Completed the first City-wide risk assessment and developed a two-year audit plan based on those results.
- Established a whistleblower hotline for internal reporting of fraud, waste, and abuse or other ethical issues.
- Completed a review of City employee travel and reimbursement policies and procedures.
- Completed semi-annual audit status reports to provide status of projects contained in the annual workplan.

Significant Objectives

- Continue to advance audit work based on results of the City-wide risk assessment for the City in an effort to promote greater accountability.
- Increase the economy, efficiency, effectiveness, and accountability of City government through audits and their recommendations.
- Maintain an effective follow-up process to monitor and evaluate the adequacy, effectiveness and timeliness of actions taken by management to address audit recommendations and report to the City Council on the actions taken.
- Administer the whistleblower hotline and perform investigations for all material complaints.
- Provide oversight of external auditors regarding the City and Santa Clara Stadium Authority's financial and performance audits.
- Update the city's annual risk assessment report to effectively evaluate city functions and respond to any changes in risk identified in the City.
- Prepare the City's Annual Audit Work Plan for FY 2023/24 and FY 2024/25.

Budget Highlights

- Freeze the City Auditor position for two years; the office will continue to be managed with two professional staff and the use of consultants.
- Reduce the training and travel budget.



* The City Auditor position is proposed to be frozen for FY 2023/24 and FY 2024/25

** Currently overfilled as an Audit Manager



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program						
City Auditor Division						
3352 City Auditor Administration	18,190	367,818	72,702	(80.2%)	77,906	7.2%
3353 City Auditor Services	627,079	856,323	875,743	2.3%	907,583	3.6%
Total City Auditor Division	645,269	1,224,141	948,445	(22.5%)	985,489	3.9%
Total by Division / Program	645,269	1,224,141	948,445	(22.5%)	985,489	3.9%
Dollars by Fund						
General Fund	645,269	1,224,141	948,445	(22.5%)	985,489	3.9%
Total by Fund	645,269	1,224,141	948,445	(22.5%)	985,489	3.9%
Dollars by Category						
Salary and Benefits						
Salary	304,884	563,253	364,423	(35.3%)	382,345	4.9%
Retirement	114,158	197,618	174,188	(11.9%)	185,440	6.5%
Health Allocation	22,949	37,617	22,772	(39.5%)	22,772	0.0%
Medicare	5,110	8,478	5,710	(32.6%)	5,970	4.6%
Social Security	17,700	25,449	19,897	(21.8%)	19,898	0.0%
Other Benefits	19,838	25,139	17,019	(32.3%)	17,518	2.9%
Total Salary and Benefits	484,639	857,554	604,009	(29.6%)	633,943	5.0%
Non-Personnel						
Materials/Services/Supplies	137,058	338,345	342,234	1.1%	349,261	2.1%
Interfund Services	23,572	28,242	2,202	(92.2%)	2,285	3.8%
Total Non-Personnel	160,630	366,587	344,436	(6.0%)	351,546	2.1%
Total by Category	645,269	1,224,141	948,445	(22.5%)	985,489	3.9%



Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Division / Program					
City Auditor Division					
3352 City Auditor Administration	1.00	1.00	0.00	(1.00)	0.00
3353 City Auditor Services	2.00	2.00	2.00	0.00	2.00
Total City Auditor Division	3.00	3.00	2.00	(1.00)	2.00
Total by Division / Program	3.00	3.00	2.00	(1.00)	2.00

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
General Fund					
General Fund	3.00	3.00	2.00	(1.00)	2.00
Total by Fund	3.00	3.00	2.00	(1.00)	2.00

Position Classification					
City Auditor	1.00	1.00	0.00	(1.00)	0.00
Management Analyst	1.00	1.00	1.00	0.00	1.00
Sr. Performance Auditor	1.00	1.00	1.00	0.00	1.00
Total Positions	3.00	3.00	2.00	(1.00)	2.00



Budget Reconciliation

	Positions	Expenditures (All Funds)
Prior Year Budget	3.00	1,224,141
FY 2023/24 Base Budget Adjustments		
Ongoing Cost Adjustments		
Salary and benefit adjustments		44,336
Non-personnel adjustments		6,889
Change in interfund services		(26,040)
Total FY 2023/24 Base Budget Adjustments		25,185
Total FY 2023/24 Base Budget	3.00	1,249,326
Service Level Changes		
Freeze City Auditor Position	(1.00)	(297,881)
Training and Travel Reduction		(3,000)
Total Service Level Changes	(1.00)	(300,881)
Total FY 2023/24 Proposed Budget	2.00	948,445
FY 2024/25 Base Budget Adjustments		
Ongoing Cost Adjustments		
Salary and benefits adjustments		46,471
Non-personnel adjustments		7,027
Change in interfund services		83
Total FY 2024/25 Base Budget Adjustments	0.00	53,581
Total FY 2024/25 Base Budget	2.00	1,002,026
Service Level Changes		
Freeze City Auditor Position		(16,537)
Total Service Level Changes	0.00	(16,537)
Total FY 2024/25 Proposed Budget	2.00	985,489

Service Level Changes

		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Freeze City Auditor Position	(1.00)		(297,881)		(314,418)

Program: 3352 – City Auditor Administration

This action freezes the City Auditor position for the FY 2023/24 and FY 2024/25 operating budget period. Long-term, the goal would be to consolidate the City Auditor and Senior Performance Auditor positions, resulting in an ongoing reduction of one position. Both the City Auditor and Senior Performance Auditor positions would need to be vacant to bring forward this ongoing change. The proposed reduction would not impact the current service delivery as the City Auditor position has been vacant. The existing staff (1.0 Senior Performance Auditor and 1.0 Management Analyst) and consultant services would continue to deliver audit services for the City.

Performance Impact

The number of audits that can be performed by the City Auditor's Office would continue to be impacted by the loss of capacity. City audits provide valuable information to improve City operations and address issues independently identified as part of the audit process.

Strategic Pillar:



Deliver and Enhance High Quality Efficient Services and Infrastructure

		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Training and Travel Reduction			(3,000)		(3,000)

Program: 3352 – City Auditor Administration

This proposal reduces the training and travel budget by \$3,000 (from \$6,742 to 3,742). Staff would need to rely more heavily on online training opportunities versus in-person training. This reduction is expected to have minimal impacts given the shift to online training post COVID-19 and the proposed reduction in the staffing level.

Performance Impact

The reduction to the training and travel budget is not expected to impact service delivery.





Strategic Pillar:



Deliver and Enhance High Quality Efficient Services and Infrastructure



Performance and Workload Measures

City Auditor Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percentage of audit recommendations management agrees to implement		N/A	N/A	100%	100%	100%	100%
Percentage of approved workplans completed or substantially completed during the fiscal year		19%	43%	75%	75%	75%	75%
Percentage of hotline investigation recommendations resolved		N/A	N/A	90%	100%	90%	90%
Workload Measures							
Number of major work products issued		2	2	4	5	5	5

City Manager's Office

This page is intentionally left blank.

City Manager's Office Description

The City Manager's Office is responsible for providing strategic direction and support to all City departments for day-to-day operations and planning, as well as support to the City Council with its policy making. In this capacity, the City Manager's Office resolves complex administrative matters, performs City-wide policy analysis, directs city-wide emergency preparedness efforts; drives strategic planning and organizational development; oversees employee relations; directs the preparation of the budget in conformance with the Council's approved priorities and Budget Principles; and advises the Council of the City's financial outlook. In addition, the City Manager's Office has direct responsibility for economic development, community outreach and engagement, property and contract management, special projects, and legislative research and advocacy.

The City Manager's Office also provides general administration for the Sports and Open Space Authority, Housing Authority, and Successor Agency of the former Redevelopment Agency.

Divisions and Services

The City Manager's Office is organized into two Divisions: City Council Support; and Leadership and Management Services.

City Council Support Division Mission	Support the City Council with its policy decisions and assist with establishing and implementing goals, objectives, and planning strategies to maintain a thriving community with efficiently delivered City services.
Division Objectives	<p>Provide policy support for decision making by assisting Council in establishing policies and priorities, advancing the City's position on regional, State, and federal legislative issues, and executing its legislative responsibilities.</p> <p>Build intergovernmental relations and promote a strong, effective advocacy voice for legislation that will benefit the City.</p>
Leadership and Management Services Division Mission	Support the Santa Clara community through strategic planning, day-to-day oversight of operations, policy development, and fiscal planning. This Division also leads economic development, organizational development, community outreach and engagement, and the implementation of key policies and programs.
Division Objectives	<p>Implement Council direction while overseeing City operations and department resources, economic development, management of City-owned properties, and the development and implementation of key policies.</p> <p>Plan and execute highly complex, citywide projects while strategically developing a more effective and efficient organization.</p> <p>Enhance the City's community outreach and engagement efforts by updating the City's communications plan and informing residents and businesses about issues through press releases, Community Letters, the City Hall News online, Inside Santa Clara (the City newspaper for residents and businesses), the City's website and social media channels.</p>

Significant Accomplishments

City Council Support

- Coordinated the preparation and timely distribution of meeting agendas, Council briefings and the day-to-day operations of the Mayor and Council office.
- Facilitated and staffed the transition to hybrid/in-person City Council and Planning Commission meetings.
- Guided the transition back to in-person/hybrid boards and commission meetings in alignment with new noticing and legislative body requirements.
- Provided communications support for City Council and staff for State of the City, community events, groundbreaking and ribbon cutting events and speaking engagements.
- Hosted first in-person State of the City event after two years of virtual events due to the pandemic, where community awards from all districts were highlighted via prerecorded video and integrated into the multimedia presentation; the event was recorded and subsequently shared via social media and City News.

Leadership and Management

- Successfully led organization through leadership transitions while challenging the organization to maintain high-quality, cost effective services responsive to the needs of Santa Clara residents in alignment with Council priorities.
- Worked with City departments to implement a three-prong budget balancing approach of cost containment, new revenues and the use of reserves to address a significant structural budget deficit while minimizing impacts to front-line public services.
- Coordinated efforts across City departments to process over 32,000 Public Records Act requests during FY 2021/22 and approximately 22,000 requests in FY 2022/23.

Community Outreach and Engagement

- Migrated the City's bi-annual newspaper, "Inside Santa Clara" to a digital format, with printed copies available at City facilities, resulting in annual budgetary savings of approximately \$90,000 and aligning with environmental sustainability goals and mandates by saving over one million sheets of paper per year.
- Launched a new redesign for "City Hall News" in February 2022, including Mayor and Council District messages (when available) to provide Citywide and district-specific news and updates to the community.
- Maintained a robust presence on social media through Instagram, Twitter, Facebook, Nextdoor, and LinkedIn.
- Developed, designed, and facilitated mailers and utility bill insert content to keep the community apprised of special events, initiatives, and community meetings.
- Developed a series of video messages from the City Council on cultural and holiday events including Eid al-Fitr, Kwanzaa, 4th of July, Black History Month, Diwali and more.
- Collaborated with Water & Sewer Utilities on a "Save Our Water" campaign to educate the public on ways to conserve water during periods of prolonged drought and how to develop a "Water Conservation Mindset" to face future challenges.
- Conducted a robust community outreach effort with business and community leaders to discuss possible revenue measures for the November 2022 election. Efforts included a community survey, focus groups, dedicated webpage, direct mail and community presentations. Voters approved Measure G by over 84% (5% Utility transfer) and Measure H (Business License Tax Update) by 60% on the November 2022 ballot.
- Facilitated Council and community discussion regarding high-profile projects such as the acquisition of 1601 Civic Center Drive for parkland and the operations of the BMX park.



- Developed and produced high-quality videos for City departments, including officer profiles for SCPD's recruiting website, a featurette on Mission City Memorial Park, a Sneak Peek at Raymond G. Gamma Dog Park, Mayor@Noon and highlight videos of special events (Annual Tree Lighting, LGBTQ+ Flag Raising).
- Responded to over 200 media inquiries annually.

Special Projects

- Led efforts to prepare the City's FY 2021/22 Community Project Funding request application that resulted in the award of \$2.725 million in funding for the De La Cruz Blvd, Lick Mill Blvd, and Scott Blvd Bicycle Projects with Representative Ro Khanna's recommendation. The projects will enhance safety, improve mobility, reduce vehicle emissions, and connect local residential communities, schools, libraries, and major employers within Silicon Valley.
- Led efforts to prepare the City's FY 2022/23 Community Project Funding request application that resulted in the award of \$3 million in funding for the Anna Drive Neighborhood Flood Protection Project based on Representative Ro Khanna's submittal and \$500,000 in funding for the Fire Station Microgrid Project based on Senators Dianne Feinstein and Alex Padilla's submittals. The Anna Drive Neighborhood Flood Protection will benefit and provide flood protection to hundreds of residents and businesses. The Fire Station Microgrid Project will accelerate microgrid technologies that provide community benefits through decarbonization and climate resiliency.
- Coordinated the City's FY 2023/23 State Budget funding request which resulted in the award of \$800,000 for the Magical Bridge All-Inclusive Playground based on Assembly Member Alex Lee's submittal.
- Renegotiated Memorandum of Understanding with the Santa Clara Unified School District for the continued use and operation of the Youth Activity Center, Teen Center and Skate Park on the Cabrillo Middle School Campus.

COVID-19 Response and Relief Efforts

- Distributed regular COVID-19 updates to the community with the latest information on the COVID-19 pandemic as well as the City's response efforts.
- Maintained the drive-through window at City Hall for safe, in person utility bill payment, and other financial transactions.
- Incrementally increased City services to provide "in-person" beginning in July 2021 up to five days a week.
- Terminated the City Proclamation of Emergency for COVID-19 on February 7, 2023.

Significant Objectives

City Council Support

- The City Manager's Office will provide strategic leadership, policy analysis, and communications in support of Council priorities.
- The City Manager's Office will facilitate and support a mix of in-person and virtual meetings including the coordination of policy priority setting initiatives.
- The City Manager's Office will plan, coordinate and oversee the operations of the Mayor and Council office staff including the coordination of timely responses to Council and constituent inquiries.
- The City Manager's Office will provide staff and communications support for the State of the City, community events, groundbreaking/ribbon cutting events and speaking engagements.



Leadership and Management

- The City Manager's office will maintain excellence in the City's service delivery by helping to resolve complex administrative matters in support of Council priorities and the day-to-day operations of City Departments.
- The City Manager's office will strive to maintain effective working relationships with stakeholders and community partners to advance the best interests of the City.
- The City Manager's office will develop and oversee strategies to enhance civic engagement using a range of social media and other platforms to promote inclusion and diversity of thought in the development of public policy initiatives.
- The City Manager's Office will continue efforts to mitigate deficits projected in the City's Ten-Year General Fund Financial Forecast through development of revenue strategies, implementation of alternative service delivery models and expenditure reductions.
- As required by the California Public Records Act, the City Manager's office will continue to develop and implement strategies to address the increasing volume of public records requests in a manner that is both timely and responsive with the goal of enhancing public transparency while balancing City resources.

Legislative Advocacy

- The City Manager's Office will assist departments in identifying and pursuing federal and State funding opportunities for key City projects in coordination with the City's legislative consultant.
- The City Manager's Office will continue to build intergovernmental relations and promote a strong, effective advocacy voice for State and federal legislation that will benefit the City.

Community Outreach and Engagement

- The City Manager's Office will develop, execute and lead the City's external and internal communications and outreach strategy using a broad range of communications channels and Citywide communications initiatives.
- The City Manager's Office will continue to manage City's Customer Relationship Management System, MySantaClara, to provide a more effective and user-friendly experience to Santa Clara residents, businesses, and visitors.
- The City Manager's office will act as a City liaison to, and coordinate with, various community groups, non-profit organizations and intergovernmental partners to address the needs of Santa Clara residents.

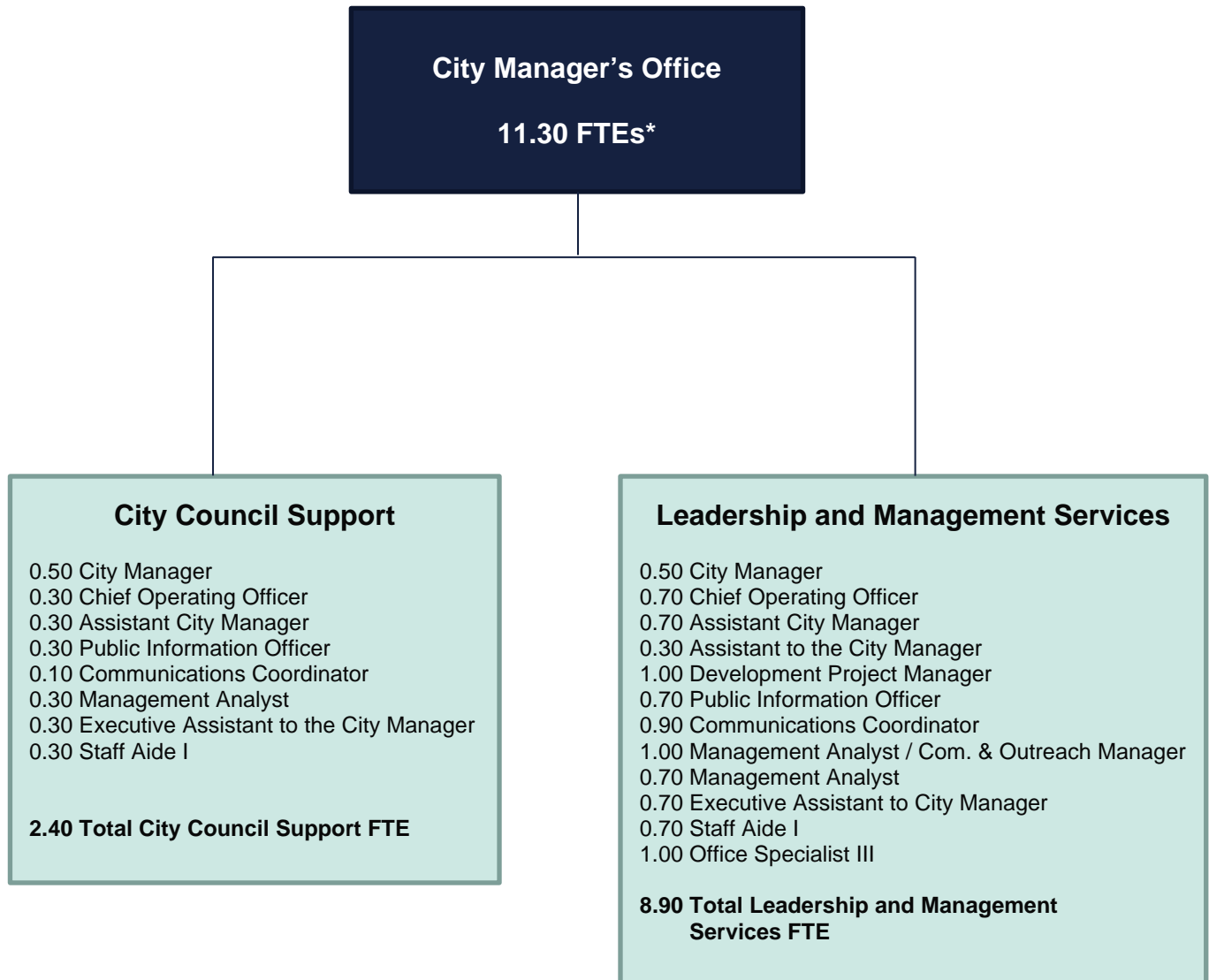
Special Projects

- The City Manager's Office will continue to work with various stakeholders to advance the land use planning and development of Santa Clara's downtown.
- The City Manager's Office will continue to work with regional partners to develop and implement goals and measures that reduce aircraft noise.
- The City Manager's Office will continue to work with stakeholders to advance economic development efforts to promote Santa Clara tourism and businesses.
- The City Manager's office will continue to work with local schools and community partners to leverage community assets and enhance the educational, recreational and social outcomes of students and the most vulnerable of Santa Clara residents.
- Allocate financial resources to acquire software that will improve staff's document review process for Public Records Act requests.



Budget Highlights

- Recommends a carefully balanced FY 2023/24 and 2024/25 Biennial Operating Budget that reflects the City Council priorities and continues to build on the foundation of financial sustainability.
- With a combination of strategies to address the General Fund shortfall, the budget balances the competing goals of aligning ongoing revenues and expenditures and minimizing the service delivery impacts to the community, including freezing 1.0 FTE Assistant City Manager position; this is in addition to the 1.0 Assistant City Manager and 1.0 Senior Management Analyst positions that were frozen as part of the last operating budget cycle.



**The positions above represent all funded positions. This excludes the 1.0 Assistant City Manager position that was frozen, as approved by the City Council on March 9, 2021 (Agenda Item 5.0 – Report to Council 21-402), and 1.0 Senior Management Analyst position that the City Council approved to freeze on September 28, 2021 (Report to Council 21-1299). The position count also excludes 1.0 Assistant City Manager position that is proposed to be frozen for FY 2023/24 and FY 2024/25.*



Budget Summary

		FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program							
City Council Support Division							
1021	Policy Support for Decision Making	1,054,243	952,049	866,996	(8.9%)	913,421	5.4%
1022	Intergovernmental Relations and Advocacy	206,886	255,665	238,983	(6.5%)	243,265	1.8%
Total City Council Support Division		1,261,129	1,207,714	1,105,979	(8.4%)	1,156,686	4.6%
Leadership and Management Services Division							
1031	Day-to-Day Operations	4,374,142	2,967,300	2,383,061	(19.7%)	2,458,638	3.2%
1032	Strategic Planning	1,111,250	1,060,936	748,370	(29.5%)	790,323	5.6%
1033	Community Outreach and Engagement	1,039,023	1,176,375	1,061,125	(9.8%)	1,107,405	4.4%
Total Leadership and Management Services Division		6,524,415	5,204,611	4,192,556	(19.4%)	4,356,366	3.9%
Total by Division / Program		7,785,544	6,412,325	5,298,535	(17.4%)	5,513,052	4.0%



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Fund						
General Fund	5,184,716	6,085,321	4,980,204	(18.2%)	5,175,582	3.9%
Convention Center Enterprise Fund	15,776	0	0	N/A	0	N/A
Fringe Benefits Fund	107,543	0	0	N/A	0	N/A
OPEB Plan Trust Fund	2,334,266	0	0	N/A	0	N/A
Other City Departments Operating Grant Trust Fund	39,472	0	0	N/A	0	N/A
Public, Education and Governmental (PEG) Fee Fund	70,432	0	0	N/A	0	N/A
Public Donations Fund	33,339	0	0	N/A	0	N/A
Related Santa Clara Developer Fund	0	327,004	318,331	(2.7%)	337,470	6.0%
Total by Fund	7,785,544	6,412,325	5,298,535	(17.4%)	5,513,052	4.0%
Dollars by Category						
Salary and Benefits						
Salary	2,408,163	2,383,873	1,841,684	(22.7%)	1,957,296	6.3%
As-Needed	271,246	131,975	211,353	60.1%	217,629	3.0%
Retirement	905,181	970,968	829,318	(14.6%)	883,525	6.5%
Health Allocation	109,083	166,715	196,018	17.6%	204,148	4.1%
Medicare	41,373	43,293	35,582	(17.8%)	37,565	5.6%
Social Security	89,794	104,639	98,814	(5.6%)	101,630	2.8%
Other Benefits	2,413,891	190,340	95,406	(49.9%)	97,960	2.7%
Total Salary and Benefits	6,238,731	3,991,803	3,308,175	(17.1%)	3,499,753	5.8%
Non-Personnel						
Materials/Services/Supplies	701,632	1,598,581	1,296,643	(18.9%)	1,325,263	2.2%
Interfund Services	774,749	821,941	693,717	(15.6%)	688,036	(0.8%)
Capital Outlay	70,432	0	0	N/A	0	N/A
Total Non-Personnel	1,546,813	2,420,522	1,990,360	(17.8%)	2,013,299	1.2%
Total by Category	7,785,544	6,412,325	5,298,535	(17.4%)	5,513,052	4.0%



Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted*	FY 2023/24 Proposed*	FY 2023/24 Change	FY 2024/25 Proposed*
Positions by Division / Program					
City Council Support Division					
1021 Policy Support for Decision Making	2.55	2.55	2.10	(0.45)	2.10
1022 Intergovernmental Relations and Advocacy	0.45	0.45	0.30	(0.15)	0.30
Total City Council Support Division	3.00	3.00	2.40	(0.60)	2.40
Leadership and Management Services Division					
1031 Day-to-Day Operations	3.80	3.80	4.50	0.70	4.50
1032 Strategic Planning	3.00	3.00	2.00	(1.00)	2.00
1033 Community Outreach and Engagement	2.70	2.70	2.40	(0.30)	2.40
Total Leadership and Management Services	9.50	9.50	8.90	(0.60)	8.90
Total by Division / Program	12.50	12.50	11.30	(1.20)	11.30
	FY 2021/22 Adopted	FY 2022/23 Adopted*	FY 2023/24 Proposed*	FY 2023/24 Change	FY 2024/25 Proposed*
Positions by Fund					
General Fund	12.50	11.50	10.30	(1.20)	10.30
Related Santa Clara Developer Fund	0.00	1.00	1.00	0.00	1.00
Total by Fund	12.50	12.50	11.30	(1.20)	11.30
Position Classification					
Assistant City Manager	2.00	2.00	1.00	(1.00)	1.00
Assistant to the City Manager	2.00	2.00	0.30	(1.70)	0.30
Chief Operating Officer	1.00	1.00	1.00	0.00	1.00
City Manager	1.00	1.00	1.00	0.00	1.00
Communications Coordinator	1.00	1.00	1.00	0.00	1.00
Deputy City Manager	0.00	1.00	0.00	(1.00)	0.00
Development Project Manager	0.00	0.00	1.00	1.00	1.00
Executive Assistant to City Manager	1.00	1.00	1.00	0.00	1.00
Management Analyst / Com. & Outreach Manager	1.00	1.00	1.00	0.00	1.00
Management Analyst	1.00	1.00	1.00	0.00	1.00
Office Specialist III	0.50	0.50	1.00	0.50	1.00
Public Information Officer	0.00	0.00	1.00	1.00	1.00
Senior Management Analyst	1.00	0.00	0.00	0.00	0.00
Staff Aide I	1.00	1.00	1.00	0.00	1.00
Total Positions	12.50	12.50	11.30	(1.20)	11.30

*The positions above represent all funded positions. This excludes the 1.0 Assistant City Manager position that was frozen, as approved by the City Council on March 9, 2021 (Agenda Item 5.0 – Report to Council 21-402), and 1.0 Senior Management Analyst position that the City Council approved to freeze on September 28, 2021 (Report to Council 21-1299). The position count also excludes 1.0 Assistant City Manager position that is proposed to be frozen for FY 2023/24 and FY 2024/25.



Budget Reconciliation

	Positions	Expenditures (All Funds)
Prior Year Budget	12.50	6,412,325
FY 2023/24 Base Budget Adjustments		
One-Time Cost Adjustments		
Chamber of Commerce Rebudget		(330,000)
Ongoing Cost Adjustments		
Salary and Benefits adjustments		(199,723)
Reallocation of 0.5 Office Specialist III from Non-Departmental	0.50	73,773
Reallocation of 0.3 Assistant to the City Manager from Non-Departmental	0.30	93,599
Reallocation of 1.0 Assistant to the City Manager to the Mayor & City Council Offices	(1.00)	(288,063)
Reclassification of 1.0 Assistant to the City Manager to 1.0 Public Information Officer		
Non-personnel adjustments		28,062
Net decrease of internal service fund allocations		(128,224)
Total FY 2023/24 Base Budget Adjustments	(0.20)	(750,576)
Total FY 2023/24 Base Budget	12.30	5,661,749
Service Level Changes		
Freeze 1.0 Assistant City Manager Position	(1.00)	(363,214)
Total Service Level Changes	(1.00)	(363,214)
Total FY 2023/24 Proposed Budget	11.30	5,298,535
FY 2024/25 Base Budget Adjustments		
Ongoing Cost Adjustments		
Salary and benefits adjustments		211,919
Non-personnel adjustments		28,620
Net decrease of internal service fund allocations		(5,681)
Total FY 2024/25 Base Budget Adjustments	0.00	234,858
Total FY 2024/25 Base Budget	11.30	5,533,393
Service Level Changes		
Freeze 1.0 Assistant City Manager Position		(20,341)
Total Service Level Changes	0.00	(20,341)
Total FY 2024/25 Proposed Budget	11.30	5,513,052

Service Level Changes

		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Freeze 1.0 Assistant City Manager Position	(1.00)	(363,214)	0	(383,555)	0
Program:	1021 – Policy Support for Decision Making 1031 – Day to Day Operations 1032 – Strategic Planning 1033 – Community Outreach & Engagement				

This proposal freezes 1.0 vacant Assistant City Manager position. This position was intended to provide overall responsibility for City real estate and transactional matters (including Stadium, Related Santa Clara and Successor Agency properties) and Convention Center and Destination Marketing Organization organizational and operational matters. It was also anticipated that this position would support the development and implementation of economic development program and policy work such as local minimum wage, worker retention, worker recall, smoking/tobacco policies, regulations, worker cooperative, small business grants, cannabis regulations and food delivery fees. As a staff lead, efforts on broad policy and special initiatives were reported out to the Council's Economic Development, Communications, and Marketing Committee.

Performance Impact

The previous incumbent retired from the City in October 2021 and has since come back in an as-needed capacity to assist on a limited scope of overall responsibilities of the vacated Assistant City Manager position. While some gaps have been bridged in terms of services and duties, as-needed work hours are limited resulting in some duties being absorbed by other staff in other City departments and other duties are yet to be fully reassigned.









Strategic Pillar:



Manage Strategically Our Workforce Capacity and Resources



Performance and Workload Measures










City Council Support Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Number of State and federal legislative bills reviewed/tracked		228	86	100	100	100	100
Number of support/opposition correspondence produced for regional, State, and federal legislation		N/A	13	15	22	15	15
Number of meetings/reports/presentations to City Departments and/or City Council to share legislative information ¹ – <i>Modified for FY 2023/24</i>		N/A	18	12	17	14	14
Number of City Council meeting referrals open ² – <i>Modified for FY 2023/24</i>		39	31	44	31	30	30
Number of City Council meeting referrals closed		N/A	26	31	30	30	30
Number of City Council agenda reports approved		870	801	750	750	750	750
Number of City Council and Council Committee meetings –		103	70	75	60	70	70
Total Number of City Council meeting hours including Regular, Special and Closed Sessions ³ – <i>New for FY 2023/24</i>		N/A	N/A	N/A	N/A	240	240

¹ This now includes reports. The quarterly legislative updates and annual adoption of legislative advocacy positions are usually on the Consent Calendar. The reports are the most public way the City communicates legislative updates and should be counted towards this workload measure.

² This does not include committee referrals or referrals from priority setting sessions.

³ The number of City staff that attend the meetings are not considered for this target.










Performance and Workload Measures

Leadership and Management Services Support Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percentage of MySantaClara app users who are satisfied or very satisfied with the City's response to their request		63%	59%	70%	60%	70%	70%
Percent of forwarded constituent concerns and inquiries to City Manager and appropriate City Department Director within three business days – <i>New for FY 2023/24</i>		N/A	N/A	N/A	N/A	100%	100%
Percentage of employees that feel satisfied with the City as an employer ⁴		N/A	N/A	N/A	N/A	N/A	N/A
Percentage of residents that believe the City is doing an excellent or good job ⁵		N/A	N/A	N/A	N/A	N/A	N/A
Percentage of residents that believe the City is keeping the residents informed ⁴		N/A	N/A	N/A	N/A	N/A	N/A
Citywide Social Media Posts							
Percentage increase in Twitter followers		16%	6%	5%	3%	3%	3%
Percentage increase in Facebook followers		9%	3%	5%	3%	3%	3%
Percentage increase in LinkedIn followers		13%	20%	5%	5%	5%	5%
Percentage increase in Instagram followers		N/A	17%	5%	5%	5%	5%

⁴ The last employee engagement survey was completed in 2019. These surveys are not completed annually and are typically conducted biennially. An employee engagement survey was not completed in FY 2021/22. Further staff evaluation will be conducted for future employee engagement surveys.

⁵ Resident surveys were not completed in FY 2021/22. Further staff evaluation will be conducted for future resident surveys.

Performance and Workload Measures

Leadership and Management Services Support Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percentage of community grants approved within 30 business days ⁶ – <i>Modified for FY 2023/24</i>		100%	50%	90%	50%	75%	75%
Number of community grants awarded to support events, activities, and competitions ⁷ – <i>Modified for FY 2023/24</i>		2	8	10	8	8	8
Number of Public Records Act requests received, including sub-requests – <i>New for FY 2023/24</i>		N/A	N/A	N/A	N/A	22,000	22,000
Number of economic development visits with Santa Clara businesses ⁸		14	15	15	0	5	5
Number of community engagement activities							
Community surveys		15	8	10	8	8	8
Media inquiries		172	224	75	100	100	100
News Items on City Website – <i>New for FY 2023/24</i>		N/A	N/A	N/A	N/A	75	75
News releases/media advisories		21	9	50	10	10	10
Videos, produced or edited ⁹ (e.g. Santa Clara Source) – <i>Modified for FY 2023/24</i>		276	76	120	15	15	15










⁶ Staff time is required to facilitate the grant award, as such this measure definition was edited to specify the 30 days as 30 business days.

⁷ This was revised to include Parade of Champions and Showtime in addition to Community Grant Program awards.

⁸ For FY 2022/23, the number was zero due to a shortage in staff resources. This activity will resume during the next budget cycle; however, at a lower rate.

⁹ Santa Clara Source was discontinued in 2021. The need for videos increased during COVID, but now that we are back in person, the need has shifted.

Performance and Workload Measures

Leadership and Management Services Support Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Citywide Social Media Posts							
Number of Facebook posts		1,022	1,203	725	1,000	1,000	1,000
Number of Nextdoor posts		323	352	200	300	300	300
Number of Twitter posts		1,014	930	725	800	800	800
Number of Instagram posts		N/A	734	600	600	600	600
Number of LinkedIn posts		50	210	80	100	100	100
Citywide Publications							
Inside Santa Clara Newsletter		N/A	2	3	2	2	2
Bill Insert ¹⁰ – Modified for FY 2023/24		N/A	6	12	4	4	4
City Hall Monthly News ¹¹ – Modified for FY 2023/24		N/A	17	24	11	11	11
Annual Calendar		N/A	1	1	1	1	1

¹⁰ Mission City News was discontinued. However, information is still being sent out to the community via bill inserts. The number reported for FY 2021/22 reflects the full total of bill inserts that went out that FY.

¹¹ The City Manager's Biweekly was converted to City Hall News monthly and City Council district news in response to Council directive.

This page is intentionally left blank.

Community Development Department

This page is intentionally left blank.

Community Development Department Description

The Department consists of three divisions: Planning, Building, and Housing and Community Services. The Director, Assistant Director and a Management Analyst support the activities of the Department as a whole. The Department's primary purpose is to guide the ongoing physical development of the community, which includes long range land use planning, review of new development proposals and construction to ensure that it conforms to the standards of the City and State and the provision of affordable housing within the City of Santa Clara. The Department acts as an advisor to the City's decision-makers in these areas and carries out the policies of the City Council. Santa Clara's policies and standards are contained in the General Plan, Zoning Ordinance, California Building Codes and adopted City Council policies. Plans for all new structures are reviewed and construction inspections are made to verify the safety and basic quality of work. Maintenance of the City's General Plan, proactive land use planning to meet the future needs of the community, and the delivery of high-quality professional services, including the enhancement and streamlining of the development permit process, and forging partnerships to provide housing services to lower income members of the community are primary objectives of the Department.

Divisions and Services

The Community Development Department is organized into three Divisions: Planning, Building, and Housing and Community Services.

<p>Housing and Community Services Division Mission</p>	<p>The Housing and Community Services Division administers the City's federal Community Development Block Grant (CDBG) and HOME Investment Partnerships Act Program (HOME) entitlement grant programs. The federal entitlement grants are used to promote affordable housing, rehabilitate substandard housing, provide neighborhood improvements and remove barriers to persons with disabilities, and fund public services for low- and moderate-income residents. Additionally, the Housing and Community Services Division administers the City's inclusionary housing program, which requires that a percentage of new development units be dedicated to low and moderate-income residents. Also, the Housing Division continues to manage its Redevelopment Agency legacy assets which include land and cash available for development, loans to first-time homebuyers, and other new affordable development projects.</p>
<p>Division Objectives</p>	<p>Complete an Annual Action Plan and administer grants using federal funding received by the City. The plan identifies community development and affordable housing needs and determines activities to be implemented that will assist low- and moderate-income people and prevent homelessness.</p> <p>Administer our two core federally funded programs: Tenant Based Rental Assistance (TBRA) and Neighborhood Conservation and Improvement Program (NCIP) and partner with the County on State Permanent Local Housing Allocation (PLHA) funding implementation.</p> <p>Complete in a timely fashion those budgeted capital improvement projects receiving funds from the federal CDBG Program and HOME Investment Partnership Act Program.</p> <p>Achieve the community service goals required of City-funded public service agencies.</p>



	Encourage and finance the construction and maintenance of housing affordable to lower- and moderate-income households utilizing the revenues from the following three housing funds: Housing Successor, City Affordable Housing and Housing Authority. Provide opportunities for affordable home ownership to moderate-income households. Implement the City's inclusionary housing policy, which requires 15% of all new residential developments be set-aside for a mix of very low, low, and moderate-income households.
Building Division Mission	To provide high quality and efficient services for the design, construction, use, occupancy, and maintenance of all buildings and structures in order to safeguard the public health, safety and general welfare in the built environment.
Division Objectives	Provide excellent customer service and efficient plan review and permitting services at the Permit Center via walk in over the counter or through the online permit system.
	Provide effective, reliable field inspection services for the community by ensuring Building Code safety regulations are met during construction and code enforcement concerns.
	Continue streamlining the building permit process through new technologies and the internet. Continue improving and enhancing the permit information system to expand utilization to its fullest potential.
	Continue to improve customer satisfaction by providing more staff and new innovative software to better assist Permit Center visitors.
	Apply and implement new building codes and new State legislation.
	Continue to coordinate plan checks and inspections statuses of the four development functions: Building, Fire Prevention, Planning and Public Works/Engineering.
Planning Division Mission	To enhance the community's safety, welfare, quality of life, and economic opportunities by providing advanced planning and development review services.
Division Objectives	Review proposed development projects for consistency with City policies, ensure compliance with the California Environmental Quality Act (CEQA), and confirm construction complies with development approvals.
	Continue streamlining the development process and facilitate public access to information through new technologies and the internet.
	Prepare and implement long range plans; in coordination with consultants, update the Zoning Ordinance, prepare the Downtown Precise Plan and Form Based Zoning Code and the El Camino Real and Santa Clara Station Area Specific Plans.
	Support the City's historic preservation efforts, provide code enforcement to respond to community concerns, implement the Climate Action Plan, and work with the Valley Transportation Authority (VTA) on planning for transit services.
	Provide support for CEQA/National Environmental Policy Act (NEPA) review of City capital, affordable housing, and other public projects.

Significant Accomplishments

- City approved Santa Clara's Draft 2023-2031 Housing Element that was also previously submitted in a timely manner to the California Department of Housing and Community Development (HCD) for review.
- Adopted the Patrick Henry Drive Specific Plan to implement the City's General Plan goals and policies for the area by providing detailed guidance for future land uses and urban design elements to accommodate new residential dwelling units, office space and other new neighborhood-serving retail and public facilities.
- Adopted the Climate Action Plan Update (CAP) that sets new targets for reaching aggressive emissions reductions. Subsequently, staff has created a CAP checklist for the applicants to track and implement CAP Targets.
- Adopted the Freedom Circle Focus Area as a part of the City's General Plan for future growth and which establishes the future capacity and an overall vision for a new, high-density mixed-use community.
- Posted the Downtown Precise Plan and Form Based Zoning Code Review Drafts for public review.
- Planning Division Code Enforcement staff proactively performed code enforcement efforts in the Mission Town neighborhood to improve the quality of life for the residents through effective community outreach and abatement of graffiti, trash, and inoperable vehicles. Staff also worked diligently to address issues with vacant properties along El Camino Real. Properties were cleared of trash and junk cars, buildings were secured, and numerous illicit and unpermitted advertising signs that plagued the boulevard were addressed.
- Kifer I (Calabazas Apartments) and St. Anton Apartments were completed & Kifer II Senior, Agrihood, and Monroe Apartments are under construction. These projects will create 646 new affordable housing opportunities.
- Invested approximately \$1.5 million in the City's Neighborhood Conservation and Improvement Program (NCIP) and minor repair programs.
- Invested approximately \$2.0 million in the City's Tenant Based Rental Assistance Programs and convened a Homelessness Taskforce.
- Assisted four families in purchasing Below Market Purchase homes, approximately 2,450 residents through public service programs, and 35 homeless or at-risk Santa Clara residents through the County's Supportive Housing Case Management Program.
- Emergency Rental Assistance: 261 households (approximately 780 people) received assistance through the City's Emergency Rental Assistance Program (ERAP) using \$600K of CDBG funds and over \$580K CDBG-CV funds.
- Implemented innovative customer software program to enable virtual, over the counter, phone call appointments and services which alleviate uncertainty with wait times and provide customers with important informational updates.
- Implemented mass communication tools (Gov Delivery) to provide general information to the community and its customers such as the 2022 CA Building Code Adoption and Reach Codes.
- Fiscal Year 2021/22 data shows accomplishments in various Building Division areas including the Permit Center, Plan Review, Inspections and Administrative team:
 - Number of permits under review: 1,008 records
 - Number of issued permits: 1,634 records
 - Number of inspections performed: 45,354
 - Number of finalized permits: 3,029 records
 - Number of housing units under review or construction: 3,276 units (23 Single Family + 136 Accessory Dwelling Units (ADU) + 3117 Multifamily)
 - Total square footage of nonresidential development under review or construction: 5,507,529 sf
 - Number of PRAs processed: 307

- Received and responded to 18,593 emails and 16,548 phone calls to Admin and Permit Tech teams
- Created virtual over-the-counter plan review process to help expedite plan review time for projects with smaller scopes.
- Created handouts and process to help guide the public and internal staff in understanding Reach Code All-Electric related regulations.
- Created Electronic Plan submittal guide to help with plan submittal quality and consistency.
- Staff put forth tremendous effort to do a comprehensive update for all customer handouts and guides on the Building Division website, ensuring the community has access to only the most current code regulations.

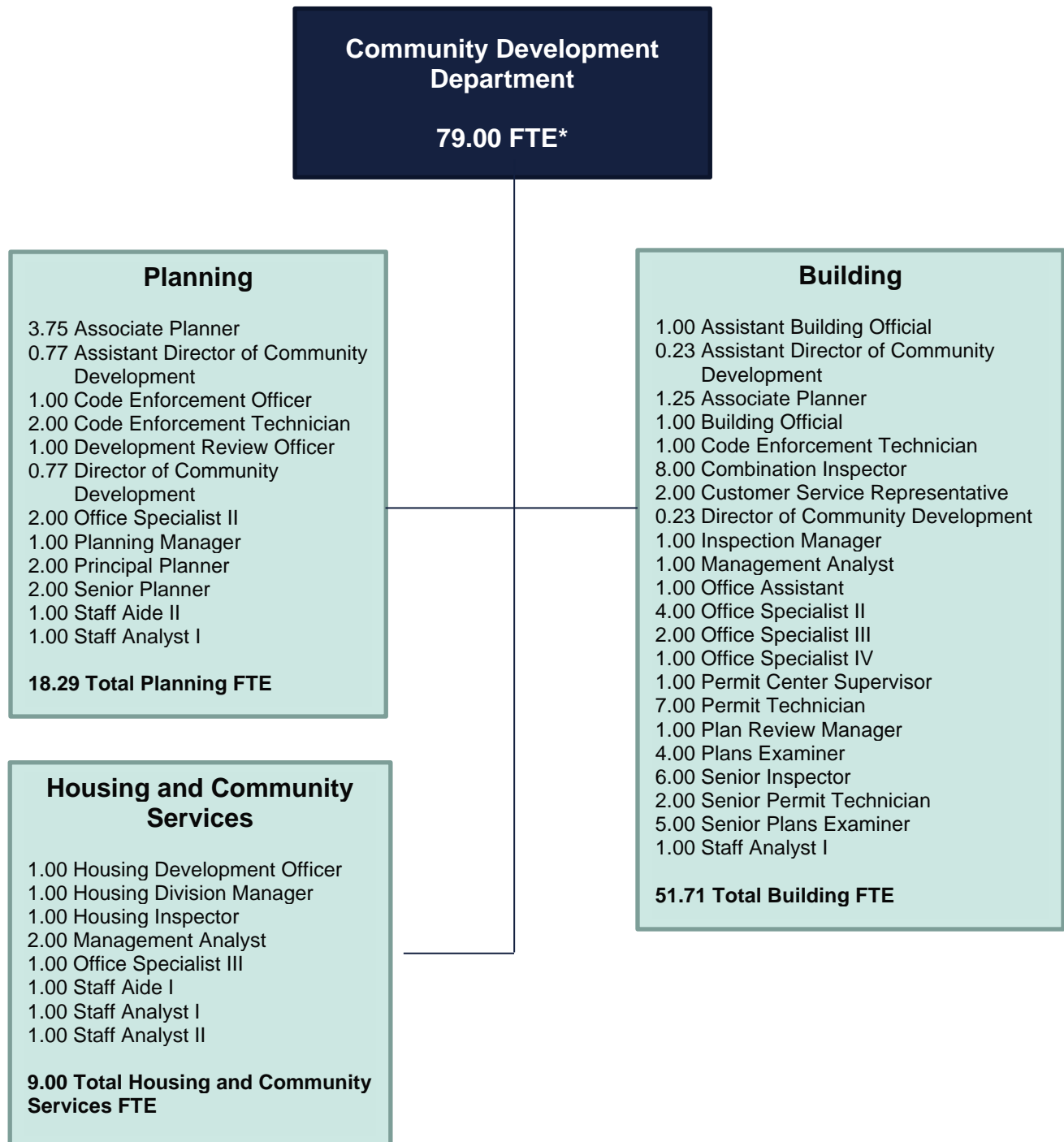
Significant Objectives

- Continue to engage with the Santa Clara community to inform and involve community members in both long-range and current land use planning activities.
- Enhance economic development by meeting service demands; providing more timely development review and permit processing timeframes and inspections; keeping critical services in-house; providing consistency and continuity; and staying current with technology.
- Complete significant advanced planning efforts, including the Zoning Ordinance update, Housing Element Update, Tasman East Area Plan Amendments, Downtown Precise Plan and Form-Based Zoning Code, El Camino Real Specific Plan revisions, and Santa Clara Station Area Specific Plan.
- Continue to implement the permit system replacement to streamline permit processes with online, electronic access, and integration with a geographic information system.
- Work to expand the affordable housing pipeline, execute Disposition and Development Agreements and loan closings for the current pipeline.
- Continue to administer the Below Market Rental Program (BMR) and Below Market Purchase Program (BMP).
- Develop and implement policies and programs to reduce displacement and homelessness .
- Continue to work towards full cost recovery model by increasing staff size to meet work volume.
- Develop and expand organizational structure by creating more attainable entry level positions in plan review and inspection programs which will also result in more balanced distribution of workload.
- Increase customer satisfaction levels by providing responses for Permit Center within one to two days.
- Increase customer satisfaction levels by providing appointments for inspections within one to two days.
- Complete release of 'Simple Permit' online services so customers can achieve permit issuance for routine construction activity in a more streamlined, expeditious manner.
- Provide more user-friendly online portal services by implementing OpenCities, a new website service which enables customers to navigate permit and fee processes much more easily and efficiently.
- Implement new customer relationship management software, QMatic, to provide customers with more visibility about Permit Center wait times, options for booking appointments as well as providing staff with accurate, reliable performance measure data about customer activity.
- Continue to improve upon data accuracy and reporting measures for state and county agencies by furthering knowledge and use of Accela Permit Information system's reporting capabilities while also continuing to provide assistance to other departments' requests for data.
- Create regular checks and balances to manage the budget, ensuring that staff size is proportionately aligned with available funds.
- Align the Division's consultant agreements by creating new agreements with updated terms and funding so effective

dates and end of term dates are in sync, which will result in easier, clearer tracking in contract management.

Budget Highlights

- The Proposed Budget includes the following budget actions to more appropriately align position funding to the work performed and to help address the General Fund shortfall:
 - Shift the funding source for 1.0 Senior Planner from the General Fund to the Advanced Planning Fee Reserve
 - Shift the funding source for 0.25 Associate Planner from the General Fund to the Building Development Services Fund
- Significant resources are recommended to support the Building Division to help address current pace of development activity in the City:
 - One-time funding of \$0.3 million for various software and hardware upgrades to enhance customer service and gain efficiencies for inspection staff
 - Addition of the following positions in FY 2024/25:
 - 1.0 Office Specialist II
 - 1.0 Office Specialist III
 - 1.0 Office Specialist IV
 - 1.0 Permit Technician



**The positions above represent all funded positions. This excludes the 1.0 Associate Planner and 0.75 Office Specialist II positions that were frozen, as approved by the City Council on March 9, 2021 (Agenda Item 5.0 – Report to Council 21-402). The positions also exclude 1.0 Senior Inspector that was originally funded by Related but is frozen beginning FY 2023/24 until funding is confirmed. The positions above also include the 4.0 positions recommended in FY 2024/25 as part of this Proposed Budget.*



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program						
Planning Division						
5522 Development Review	2,575,801	2,040,855	1,858,586	(8.9%)	1,953,493	5.1%
5523 Advanced Planning	1,220,721	1,271,713	1,239,728	(2.5%)	1,311,755	5.8%
5524 Historical Preservation	343,153	571,940	532,626	(6.9%)	564,332	6.0%
5525 Code Enforcement	723,801	895,180	878,335	(1.9%)	928,668	5.7%
Total Planning Division	4,863,476	4,779,688	4,509,275	(5.7%)	4,758,248	5.5%
Building Division						
5532 Plan Review and Permit Services	7,743,107	9,017,393	9,332,299	3.5%	10,120,132	8.4%
5533 Field Inspection	5,265,249	4,947,826	4,503,503	(9.0%)	4,685,727	4.0%
5534 Housing Inspection	84,559	89,806	83,247	(7.3%)	86,062	3.4%
Total Building Division	13,092,915	14,055,025	13,919,049	(1.0%)	14,891,921	7.0%
Housing and Community Services Division						
5542 Federal State Grant	444,235	566,958	583,346	2.9%	609,324	4.5%
5543 Neighborhood Conservation and Improvement Program	328,329	150,485	192,331	27.8%	204,764	6.5%
5544 Community Development	2,649,958	1,667,250	2,992,456	79.5%	1,326,173	(55.7%)
5545 Affordable Housing	470,374	834,741	588,489	(29.5%)	609,336	3.5%
5546 Housing Authority	170,739	380,363	457,193	20.2%	414,581	(9.3%)
5547 City Affordable Housing	5,085,499	1,464,431	1,559,557	6.5%	1,595,486	2.3%
5548 Community Development Housing Successor	12,434,115	1,242,599	873,227	(29.7%)	899,463	3.0%
Total Housing and Community Services Division	21,583,249	6,306,827	7,246,599	14.9%	5,659,127	(21.9%)
Total by Division / Program	39,539,640	25,141,540	25,674,923	2.1%	25,309,296	(1.4%)



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Fund						
General Fund	6,445,655	5,398,007	5,121,256	(5.1%)	5,392,464	5.3%
Building Development Services Fund	11,383,394	13,548,582	13,874,054	2.4%	14,846,926	7.0%
Building Special Programs and Training Fund	29,120	61,765	44,995	(27.2%)	44,995	0.0%
City Affordable Housing Fund	5,085,499	1,685,731	1,559,557	(7.5%)	1,595,486	2.3%
Engineering Operating Grant Trust Fund	44,691	0	0	N/A	0	N/A
Housing and Urban Development Fund	3,255,557	2,379,815	3,744,641	57.4%	2,115,381	(43.5%)
Housing Authority Fund	170,739	380,363	457,193	20.2%	414,581	(9.3%)
Housing Successor Agency Fund	12,434,115	1,242,599	873,227	(29.7%)	899,463	3.0%
Other City Departments Operating Grant Trust Fund	793	0	0	N/A	0	N/A
Prefunded Plan Review Fund	553,835	0	0	N/A	0	N/A
Related Santa Clara Developer Fund	136,242	444,678	0	(100.0%)	0	N/A
Total by Fund	39,539,640	25,141,540	25,674,923	2.1%	25,309,296	(1.4%)
Dollars by Category						
Salary and Benefits						
Salary	7,179,757	9,600,991	10,032,482	4.5%	11,011,760	9.8%
As-Needed	680,610	529,577	406,771	(23.2%)	417,514	2.6%
Overtime	318,666	69,630	72,067	3.5%	74,588	3.5%
Retirement	2,764,036	3,433,149	3,438,719	0.2%	3,790,574	10.2%
Health Allocation	628,160	1,058,995	1,121,921	5.9%	1,262,449	12.5%
Medicare	119,680	145,333	152,993	5.3%	167,285	9.3%
Social Security	439,660	555,506	614,610	10.6%	663,295	7.9%
Other Benefits	353,394	426,741	444,119	4.1%	484,455	9.1%
Total Salary and Benefits	12,483,963	15,819,922	16,283,682	2.9%	17,871,920	9.8%
Non-Personnel						
Materials/Services/Supplies	20,116,974	4,922,217	4,126,884	(16.2%)	3,812,212	(7.6%)
Interfund Services	2,456,112	2,549,613	2,110,909	(17.2%)	2,129,375	0.9%
Other Expenditures	2,756,885	1,667,250	2,974,221	78.4%	1,306,494	(56.1%)
Transfers to Other Funds	1,725,706	182,538	179,227	(1.8%)	189,295	5.6%
Total Non-Personnel	27,055,677	9,321,618	9,391,241	0.7%	7,437,376	(20.8%)
Total by Category	39,539,640	25,141,540	25,674,923	2.1%	25,309,296	(1.4%)



Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed*	FY 2023/24 Change	FY 2024/25 Proposed*
Positions by Division / Program					
Planning Division					
5522 Development Review	6.30	6.75	6.50	(0.25)	6.50
5523 Advanced Planning	5.10	5.26	5.17	(0.09)	5.17
5524 Historical Preservation	2.35	2.43	2.36	(0.07)	2.36
5525 Code Enforcement	4.25	4.33	4.26	(0.07)	4.26
Total Planning Division	18.00	18.77	18.29	(0.48)	18.29
Building Division					
5532 Plan Review and Permit Services	26.75	26.98	30.21	3.23	34.21
5533 Field Inspection	18.15	18.15	17.40	(0.75)	17.40
5534 Housing Inspection	0.10	0.10	0.10	0.00	0.10
Total Building Division	45.00	45.23	47.71	2.48	51.71
Housing and Community Services Division					
5542 Federal State Grant	2.10	2.10	2.00	(0.10)	2.00
5543 Neighborhood Conservation and Improvement Program	1.20	1.20	0.95	(0.25)	0.95
5544 Community Development	0.00	0.00	0.10	0.10	0.10
5545 Affordable Housing	2.30	2.30	2.10	(0.20)	2.10
5546 Housing Authority	0.65	0.65	0.65	0.00	0.65
5547 City Affordable Housing	1.20	1.20	1.95	0.75	1.95
5548 Community Development Housing Successor	1.55	1.55	1.25	(0.30)	1.25
Total Housing and Community Services Division	9.00	9.00	9.00	0.00	9.00
Total by Division / Program	72.00	73.00	75.00	2.00	79.00

*The positions above represent all funded positions. This excludes the 1.0 Associate Planner and 0.75 Office Specialist II positions that were frozen, as approved by the City Council on March 9, 2021 (Agenda Item 5.0 – Report to Council 21-402). The positions also exclude 1.0 Senior Inspector that was originally funded by Related but is frozen beginning FY 2023/24 until funding is confirmed. The positions above also include the 4.0 positions being recommended to be added in FY 2024/25.



Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed*	FY 2023/24 Change	FY 2024/25 Proposed*
Positions by Fund					
General Fund	20.30	21.07	23.44	2.37	23.44
Building Development Services Fund	43.00	43.23	47.71	4.48	51.71
City Affordable Housing Fund	1.20	1.20	1.95	0.75	1.95
Housing and Urban Development Fund	3.30	3.30	0.00	(3.30)	0.00
Housing Authority Fund	0.65	0.65	0.65	0.00	0.65
Housing Successor Agency Fund	1.55	1.55	1.25	(0.30)	1.25
Related Santa Clara Developer Fund	2.00	2.00	0.00	(2.00)	0.00
Total by Fund	72.00	73.00	75.00	2.00	79.00
Position Classification					
Assistant Building Official	1.00	1.00	1.00	0.00	1.00
Assistant Director of Community Development	0.00	1.00	1.00	0.00	1.00
Associate Planner	6.00	6.00	5.00	(1.00)	5.00
Building Official	1.00	1.00	1.00	0.00	1.00
Code Enforcement Officer	1.00	1.00	1.00	0.00	1.00
Code Enforcement Technician	3.00	3.00	3.00	0.00	3.00
Combination Inspector	8.00	8.00	8.00	0.00	8.00
Customer Service Representative	1.00	1.00	2.00	1.00	2.00
Development Review Officer	1.00	1.00	1.00	0.00	1.00
Director of Community Development	1.00	1.00	1.00	0.00	1.00
Housing Development Officer	1.00	1.00	1.00	0.00	1.00
Housing Division Manager	1.00	1.00	1.00	0.00	1.00
Housing Inspector	1.00	1.00	1.00	0.00	1.00
Inspection Manager	1.00	1.00	1.00	0.00	1.00
Management Analyst	3.00	3.00	3.00	0.00	3.00
Office Assistant	1.00	1.00	1.00	0.00	1.00
Office Specialist II	5.00	5.00	5.00	0.00	6.00
Office Specialist III	2.00	2.00	2.00	0.00	3.00
Office Specialist IV	1.00	1.00	0.00	(1.00)	1.00
Permit Center Supervisor	1.00	1.00	1.00	0.00	1.00
Permit Technician	5.00	5.00	6.00	1.00	7.00
Plan Review Manager	1.00	1.00	1.00	0.00	1.00
Planning Manager	1.00	1.00	1.00	0.00	1.00
Plans Examiner	5.00	5.00	4.00	(1.00)	4.00
Principal Planner	2.00	2.00	2.00	0.00	2.00
Senior Inspector	7.00	7.00	6.00	(1.00)	6.00
Senior Permit Technician	1.00	1.00	2.00	1.00	2.00
Senior Planner	1.00	1.00	2.00	1.00	2.00
Senior Plans Examiner	4.00	4.00	5.00	1.00	5.00
Staff Aide I	1.00	1.00	1.00	0.00	1.00
Staff Aide II	0.00	0.00	1.00	1.00	1.00
Staff Analyst I	3.00	3.00	3.00	0.00	3.00
Staff Analyst II	1.00	1.00	1.00	0.00	1.00
Total Positions	72.00	73.00	75.00	2.00	79.00

*The positions above represent all funded positions. This excludes the 1.0 Associate Planner and 0.75 Office Specialist II positions that were frozen, as approved by the City Council on March 9, 2021 (Agenda Item 5.0 – Report to Council 21-402). The positions also exclude 1.0 Senior Inspector that was originally funded by Related but is frozen beginning FY 2023/24 until funding is confirmed. The positions above also include the 4.0 positions being recommended to be added in FY 2024/25.



Budget Reconciliation

	Positions	Expenditures (All Funds)
Prior Year Budget	73.00	25,141,540
FY 2023/24 Base Budget Adjustments		
One-Time Cost Adjustments		
CDBG and HOME grant allocation		1,306,971
Contractual services rebudget		(550,000)
Santa Clara Intensive Case Management and Homeless Prevention Program		(516,000)
Adjustment to the transfer from Building Development Services Fund to General Fund for Code Enforcement program		(3,311)
Ongoing Cost Adjustments		
Salary and benefits adjustments		155,509
Addition of 3.0 Building Division positions, as approved by City Council on December 6, 2022, Report to Council 22-1222:		
1.0 Senior Permit Technician	1.00	186,296
1.0 Permit Technician	1.00	174,939
1.0 Customer Service Representative	1.00	158,305
Reclassification of 1.0 Plans Examiner to 1.0 Senior Plans Examiner		
Reclassification of 1.0 Associate Planner to 1.0 Senior Planner		
Reclassification of 1.0 Office Specialist IV to 1.0 Staff Aide II		
Adjustments for the Related Santa Clara project:		
Freeze of 1.0 Senior Inspector position	(1.00)	(211,289)
Funding Shift of 1.0 Senior Plans Examiner from the Related Santa Clara Developer Fund to the Building Development Services Fund	0.00	0
Net decrease of various internal service allocations		(438,704)
Non-personnel adjustments		(29,333)
Total FY 2023/24 Base Budget Adjustments	2.00	233,383
Total FY 2023/24 Base Budget	75.00	25,374,923
Service Level Changes		
Funding Shift 1.0 FTE Senior Planner (Advanced Planning Fee Reserve)	0.00	0
Funding Shift 0.25 FTE Associate Planner	0.00	0
Building Division Software and Hardware Enhancements		300,000
Total Service Level Changes	0.00	300,000
Total FY 2023/24 Proposed Budget	75.00	25,674,923



Budget Reconciliation

	Positions	Expenditures (All Funds)
FY 2024/25 Base Budget Adjustments		
One-Time Cost Adjustments		
CDBG and HOME grant allocation		(1,667,727)
Building Division Software and Hardware Enhancements		(300,000)
Adjustment to the transfer from Building Development Services Fund to General Fund for Code Enforcement		10,068
Ongoing Cost Adjustments		
Salary and benefits adjustments		894,002
Net increase of various internal service allocations		18,466
Non-personnel adjustments		(14,672)
Total FY 2024/25 Base Budget Adjustments	0.00	(1,059,863)
Total FY 2024/25 Base Budget	75.00	24,615,060
Service Level Changes		
Building Division Administrative Staffing	3.00	516,417
Building Division Permit Center Staffing	1.00	177,819
Total Service Level Changes	4.00	694,236
Total FY 2024/25 Proposed Budget	79.00	25,309,296

Service Level Changes

Title	Positions	FY 2023/24		FY 2024/25	
		One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Building Division Software and Hardware Enhancements	0.00	300,000	0	0	0

Program: 5532 – Plan Review and Permit Services
5533 – Field Inspection

This proposal adds \$0.3 million in one-time funding for various software and hardware improvements and additions. The Building Division is planning to use this funding for improvements to the City's current online permitting portal. The Division submitted a survey to customers rating their experience using the online portal, resulting in an average customer rating of 5/10. This funding would allow for the Division to purchase a content management system or receive professional services to implement custom scripts to enhance the ease of use of the permitting online portal.

Additionally, the Division is seeking a queue management system. The Division continues to see increasing levels of demand, resulting in longer wait times when customers come into City Hall. A queue management system would allow for customers to join the queue virtually and come into City Hall when their time has arrived, providing much more flexibility for customers. The system would also integrate with the Division's current appointment booking portal and would enable a seamless, self-help web portal to schedule appointments, check-in for walk up services, and reschedule their place in the queue.

Funding is also planned to be used for new software and hardware for the Inspections team. Inspections are a critical service for residents and customers and providing the staff with modern technology and tools will create efficiencies and improve functionality.

The Building Division is also planning for a cloud-based Contact Center as a Service (CCaaS). The Building Division handles thousands of phone calls with only a handful of staff at any given time to provide the high-level customer service our community expects. With an influx of calls, it becomes difficult to answer the volume, provide consistent answers, and dive deep into trends and data that could enable better customer service. A CCaaS would allow for automation of call routing and provide customers with flexibility on how they prefer to be contacted.

Performance Impact

The Building Division has experienced an incredibly high level of activity in recent years and these various system enhancements would allow for an overall better customer experience, including more scheduling flexibility and better response times. This would also provide current staff with tools to be more efficient with inspection reporting.

Strategic Pillar:



Deliver and Enhance High Quality Efficient Services and Infrastructure

Service Level Changes

Title	Positions	FY 2023/24		FY 2024/25	
		One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Building Division Administrative Staffing	3.00	0	0	0	516,417

Program: 5532 – Plan Review and Permit Services

This proposal adds 1.0 Office Specialist II, 1.0 Office Specialist III and 1.0 Office Specialist IV to the administrative team within the Building Division in FY 2024/25. The administrative team is staffed with seven full time employees and eight as-needed employees. The Office Specialist IV is intended to act as a supervisor across the administrative team, with the Office Specialist III serving in a senior lead capacity to the team, with emphasis on training. The Office Specialist II will provide support across all administrative tasks including business correspondence, scheduling inspections, customer service, and payroll duties.

Performance Impact

The Department anticipates that adding these 3.0 positions will increase efficiencies across the administrative team and streamline processes.

Strategic Pillar:



Deliver and Enhance High Quality Efficient Services and Infrastructure

Title	Positions	FY 2023/24		FY 2024/25	
		One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Building Division Permit Center Staffing	1.00	0	0	0	177,819

Program: 5532 – Plan Review and Permit Services

This proposal adds 1.0 Permit Technician to the Permit Center within the Building Division in FY 2024/25. The Permit Center handles all permit application submittals and collection of fee revenue. Over the years, the Permit Center's activity level and workload have consistently increased and are continuing to increase. The Permit Center is currently staffed with nine full time positions. This staffing level has proven to be insufficient, given the higher activity levels and the changing expectations of the customers served. The Division's targeted response time is one to three business days for all services; however, the current turnaround time to process new applications and issue permits is one to two weeks. Currently, the Division is augmenting this workgroup to maintain reasonable processing and response times for the average of 700 emails and 500 phone calls received, in addition to the hundreds of permit applications and resubmittals are processed on a weekly basis.

Performance Impact

This position will provide the additional capacity needed for the Permit Center to maintain our processing and response time goals without pulling administrative staff from their important responsibilities.

Strategic Pillar:



Deliver and Enhance High Quality Efficient Services and Infrastructure

Service Level Changes

		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Funding Shift of Associate Planner	0.00	0	0	0	0

Program: 5532 – Plan Review and Permit Services

This proposal shifts the funding of 0.25 FTE of an Associate Planner position from the General Fund to the Building Development Services Fund. Currently, the Building Division has 1.0 Associate Planner completing conformance review. As the workload continues to increase in the Building Division, the Department has determined that there is the need for additional capacity to complete these types of reviews. This funding shift is anticipated to result in General Fund savings of approximately \$56,004.

Performance Impact

This funding shift will increase support in the Building Division, which has faced high volumes of activity in the past several years.

Strategic Pillar:



Manage Strategically Our Workforce Capacity and Resources

		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Funding Shift of Senior Planner	0.00	0	0	0	0

Program: 5522 – Development Review
5523 – Advanced Planning

The Planning Division has 1.0 Senior Planner position that is funded by the General Fund. This proposal changes the funding source of this position to be fully funded by the Advanced Planning Fee Reserve. The change in funding source will result in approximately \$230,400 in General Fund savings. The change in funding for this position will result in less capacity in the general Planning program and more capacity in long-range planning.

Performance Impact

The Department expects this shift to result in increased processing and review times of Planning permit applications as well as longer response times to general inquiries. However, with this funding shift, the Department anticipates higher staff capacity to review and work on long-range planning projects, including various City Council requests.














Strategic Pillar:









Manage Strategically Our Workforce Capacity and Resources



Performance and Workload Measures

Planning Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Complete Project Clearance Committee (PCC) Review within 30 days of application submittal and fees fully paid – <i>Modified for FY 2023/24</i>		N/A	N/A	90%	90%	90%	90%
Workload Measures							
Number of items forwarded to the Planning Commission		22	53	45	57	50	50
Number of items forwarded to the Architectural Committee – <i>Delete for FY 2023/24</i>		55	106	70	121	N/A	N/A
Number of items forwarded to a Development Review Hearing		55	52	40	42	40	40
Provide an annual report to the Planning Commission and City Council on the General Plan implementation – <i>Delete for FY 2023/24</i>		1	1	1	1	N/A	N/A
Number of advanced-planning items sent to City Council – <i>Modified for FY 2023/24</i>		14	19	15	17	15	15
Number of policy updates approved – <i>Delete for FY 2023/24</i>		2	4	2	2	N/A	N/A
Number of non-advanced planning items sent to City Council – <i>New for FY 2023/24</i>		N/A	N/A	N/A	N/A	30	30
Number of items forwarded to the Historical and Landmarks Commission		17	17	16	16	15	15
Provide an annual report to the Historical and Landmarks Commission on the Certified Local Government Program – <i>Delete for FY 2023/24</i>		1	1	1	1	N/A	N/A
Number of Planning Permit inquiries		5,042	9,684	8,000	9,448	9,000	9,000
Number of Code Enforcement cases opened		643	764	664	987	1,125	1,225
Number of Code Enforcement cases closed		624	691	531	889	1,068	1,164











Performance and Workload Measures

Building Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percent of short cycle plan checks performed within ten business days		N/A	N/A	50%	98%	90%	90%
Percent of regular cycle plan checks performed within thirty calendar days – <i>Delete for FY 2023/24</i>		78%	93%	75%	75%	N/A	N/A
Percent of regular cycle plan checks performed within target dates at 4, 6, 8, and 10 weeks ¹ – <i>New for FY 2023/24</i>		72%	93%	N/A	86%	85%	85%
Percent of code complaints responded to within two working days		90%	95%	50%	90%	80%	80%
Percent of inspections performed the next working day – <i>Delete for FY 2023/24</i>		21%	24%	50%	60%	N/A	N/A
Workload Measures							
Number of inspections performed the next working day – <i>New for FY 2023/24</i>		N/A	N/A	N/A	31,692	30,000	30,000

¹Regular cycle plan review times and target dates vary between four – ten weeks depending on project scope and valuation



Performance and Workload Measures

Housing and Community Services Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Number of new loan applications processed		5	5	10	5	8	8
Number of new for-sale affordable homes sold		6	12	4	5	7	7
Total funds invested in Community Revitalization (Not including Multi-Family Development Loans)		\$3.8 M	\$3.6 M	\$3.8 M	\$3.8 M	\$3.8 M	\$3.8 M
Number of clients receiving Fair Housing services including education, counseling, and enforcement of regulations		20	12	40	30	40	40
Number of affordable housing units in development pipeline		950	1,722	500	1,500	1,000	1,000
Total number of homeless (or formally homeless) individuals being housed		75	164	65	110	150	150
Number of Housing Units for Extremely Low-Income Households (0-30% of AMI)		15	55	40	20	50	50
Number of Housing Units for Very Low Average Median Income Households (30%-50% AMI)		57	32	72	60	50	50
Number of Housing Units for Low Income Households (50%-80% of AMI)		125	114	30	275	100	100
Number of Moderate Household Income (80% to 120% of AMI)		80	14	22	60	110	110

Electric Utility Department

This page is intentionally left blank.

Electric Utility Department – Silicon Valley Power (SVP) Description

Since 1896, Silicon Valley Power (SVP) has provided electricity for residents and businesses in Santa Clara. The Electric Department has a budgeted staff of 222 employees who provide diverse services such as operating, maintaining and dispatching electric service including power plants, substations, transmission and distribution lines; engineering; system planning; administrative and financial management; marketing; customer services; power trading; outdoor Wi-Fi services; and dark fiber leasing services. All of these critical services work together to make SVP successful for the City and its businesses and residents.

Divisions and Services

Functionally, SVP is organized into four Divisions: Administrative & Business Services; Customer Development and Project Management; Resource Planning and Engagement; and Utility Operations. For budget tracking purposes, SVP has one additional division, Revenue and Resources. Beginning in FY 2023/24, the Administrative Services and the Business Services Divisions were combined into one division to better reflect the organizational structure.

Administrative & Business Services Division Mission	Plan, develop, coordinate and support the administrative activities of the Department and fiduciary responsibility for the benefit and safety of the community and the employees.
Division Objectives	Develop plans using the Strategic Plan to achieve goals and objectives of the City of Santa Clara.
	Develop staff training plans to meet the growth opportunities within the City.
	Manage budget, contracts, payments, debt and maintain fiduciary controls to maintain financial health.
Customer Development and Project Management Division Mission	Be an agile and trusted partner in connecting our customers and leveraging SVP fiber optic and technology assets. Focus on execution to complete new capital investments for increased infrastructure, substations and system capacity expansion.
Division Objectives	Enhance SVP's collaboration and connection with our customers and stakeholders leveraging transmission and distribution planning to facilitate electrification and decarbonization goals.
	Enhance data driven decision making to innovate, design and develop plans to optimize and expand the utility's physical assets. Maintain and update engineering design standards with GIS based maps and readily available digitized as-builts.
	Focus on our core work and electric utility capital improvement projects with program management to streamline processes, remove barriers and lower our costs.



Resource Planning and Engagement Division Mission	Retain and attract customers to the Santa Clara electric system by supporting environmental improvement programs, customer services, and implementing a sound marketing and communication strategy to accomplish the goals of the City. Manage the adequacy and cost of fuel and electric resources in a competitive market.
Division Objectives	<p>Ensure adequate generation resources for reliable, economically competitive services to all SVP customers and meet all State and federal reliability and environmental compliance requirements.</p> <p>Optimize value of assets through power trading and scheduling and procure cost-competitive fuel resources for power production.</p> <p>Actively seek understanding of customers' valuation of energy service needs and amend the marketing plan as necessary to meet the needs of a dynamic marketplace, including technologies responsive to customer needs.</p> <p>Work with other public power agency partners to explore new generation and transmission resources to service growing sales and reduce SVP's risks and average costs.</p>
Revenue and Resources Division Mission	Provide centralized location to receive revenue and monitor expenses for resource and production to procure energy.
Division Objectives	<p>Manage all Joint Powers Authorities (JPA) costs.</p> <p>Record and receive revenue.</p>
Utility Operations Division Mission	Provide safe and reliable electrical energy to the City of Santa Clara by maintaining and enhancing infrastructure to meet energy demands for our customers.
Division Objectives	<p>Maintain continuous efforts to improve system reliability by targeting system improvements, through scheduled maintenance of equipment according to its useful life cycle, and ongoing inspections.</p> <p>Strengthen the system through improved design, research of new technologies and systems, and implementation of new system and equipment.</p> <p>Maintain safety at the highest priority and a culture of compliance with all regulatory requirements.</p>

Significant Accomplishments

- Launched an energy education program for fourth graders in FY 2021/22, which served 8 schools and 15 classes (a total of 462 students enrolled in the first year).
- Launched a hands-on induction cooking demonstration and education program in partnership with Santa Clara Unified School District Adult Education Program. Offered one class per month with 80-100% enrollment in each class.
- Launched the online SVP Marketplace for energy efficient products and electric yard care equipment with instant rebates including higher incentives for income-qualified customers.
- Received the CMUA 2021 Resource Efficiency and Community Service Award for SVP's Energy Efficiency Grants for Small Businesses impacted by COVID-19.
- Enrolled five customers in the Demand Side Grid Stability program. These customers assist in stabilizing the grid by shedding load during high peak demand periods.
- Launched a new Large Customer Renewable Energy (LCRE) Program with two options. Option A - SVP procures renewables in excess of the Renewable Portfolio Standard requirements for the customer, and option B - Bringing the customers' owned renewables into SVP to feed the customer facilities. Completed the retirement of the residential Green Power program and initiated retirement of the commercial Green Power program.
- Developed a CIP Dashboard for new development projects to better manage and monitor capital project status.
- Completed 83.14 miles of new dark fiber connections to six electric sites, eight water and sewer sites, seven stormwater sites, one Santa Clara Unified School District site, and one smart park supporting the communications needs of key City services, and added 31.36 miles for external customers.
- Rolled out SVP Fiber standards and a fiber task template for new and rebuilt substations.
- Expanded the SVP Fiber network by adding a new data center connection point. This provided a new opportunity for SVP Fiber to better support dark fiber lease customers' business needs and attract new business.
- Expanded City-owned Electric Vehicle Supply Equipment (EVSE) infrastructure - installed Level 2 Electric Vehicle (EV) chargers for public and City fleet use.
- As part of fleet electrification program, replaced old combustion vehicles with all-electric vehicles for Police, Fire, Public Works, and other City departments. In FY 2021/22, 46 all-electric vehicles and electric forklifts were purchased.
- Continued the California Electric Vehicle Incentive Program (CALeVIP Program) with \$8 million dollars earmarked over 4 years: EV charger rebates for commercial & multifamily properties and technical assistance resulting in three (3) applications with 16 connectors installed and \$498,515 rebate funds issued, of which \$40,000 has gone to the disadvantaged community (DAC) identified areas in Santa Clara; two (2) projects have received a milestone payment and are still under construction with \$414,515 funds issued; twelve (12) applications have funds reserved (\$3,924,000).
- Launched new EV Charging Technical Assistance Program for multifamily and businesses customers and hosted three (3) educational webinars focused on EV charging for multifamily properties and EV charging for businesses.
- Transferred mandated funds for the California Clean Fuel Rewards (CCFR) resulting in 1,929 rebates totaling over \$1.8 million to customers between July 2021 through April 2023.
- Successfully completed 2021 and 2022 National Electric Reliability Company (NERC) annual paper audits (Self-Certifications).
- Managed utilities' response to COVID-19 by implementing recommended protocols, providing training and helped organized first round of vaccines for critical staff.
- Worked with SVP Safety Committee to create an online anonymous safety suggestion portal and created magnet QR codes to Hazardous Materials Safety Data Sheets for easier access by employees.
- Reduced downtime between system failures for replacement of gatekeeper, a device used to pull meter data from the field back into the Advanced Metering Infrastructure (AMI) system for billing purpose, from several days to less than a

day on average.

- Prevented an average of over 10,000 penetration attempts per hour throughout the year. Made early discovery of City information being made available on Darknet and notified appropriate authorities prior to major risk.
- Executed and commenced South Feather Water and Power Agency Power Purchase Agreement (PPA), Aquamarine Solar PPA; and Camp Far West PPA with a capacity 78.0MW, 75.0MW, and 6.8MW respectively to meet clean energy goals.
- Obtained a 50-year hydro license issued by Federal Energy Regulatory Commission (FERC) for the Bucks Creek project which includes the Grizzly Powerhouse.
- Created a curtailment-tracking tool for SVP's renewable resources, aiming to improve SVP's trading floor's management of contractual limits so that staff can make changes to bidding strategy if needed.
- Completed the SVP System Expansion Plan for CAISO Transmission Planning Process for FY 2023/24 to project SVP's load growth over the next decade for inclusion in the CAISO modeling.
- Established SVP Project Management Office to implement an integrated strategy for the planning, design, construction, and commissioning of the Kifer Receiving Station (KRS) and Scott Receiving Station (SRS), nine (9) substations, and related 60KV transmission line improvements in the next five years.
- Completed field audit of internal documentation of Bulk Electric System (BES) and 60kV assets in support of NERC FAC-008 program to better manage assets conditions and further increase system reliability.
- Completed communication upgrade between Orland Junction and Black Butte, resolving a long-standing leased line reliability issue and Phase 1 of substation control and communication system replacement.
- Completed digital scanning of 1,500 drawings for system expansion projects at Northern Receiving Station (NRS), SRS and KRS to facilitate engineers' review and increase efficiency.
- Completed PG&E projects including: CalTrain at KRS 115kV for the PG&E KRS-FMC line and Los Esteros Shunt Reactor 230kV Bus Differential Protection Upgrade.
- Completed Statement of Qualifications (SOQ's) for critical substation services including electric equipment repair, maintenance, and testing and electric utility engineering services to allow contracts with consultants to support communication, protection, and power quality engineering.
- Improved efficiency and effectiveness of the Job Hazard Analysis Program.
- Performed more than 35 switchgear major maintenance activities for customers.
- Implemented Lucy system for work order and centralized and digitized asset record management, facilitating availability of equipment operation/maintenance records for all stakeholders at any location and improving workflow efficiency, and equipment performance assessments.
- Implemented substation preventative programs including: on-line monitoring of Transformer Dissolved Gas Analysis (DGA) units, including real-time remote monitoring capability; quarterly Heating, Ventilation, and Air Conditioning (HVAC) maintenance program; monthly weed abatement program; and increased frequency of equipment health monitoring program.
- Integrated substation inventory into the City's inventory system, reducing the amount of time substation personnel spend on procuring proprietary substation inventory, and avoiding delays in repairs due to lead-time to procure product.
- Completed underground projects with multiple pad mount switches and transformers for Santa Clara Square and Lawrence Station ahead of customer schedule.
- Completed 124 estimates for new business; completed 18 estimates for the upgrade or installation of new conductors, transformers, and switches; completed 512 maintenance work orders for pole, crossarm, transformer, and switch repair or replacement to improve reliability.
- Phase 2 deployment of EV infrastructure has been constructed (35 connections) at primary City fleet locations including Parks Service Center, Utilities Operation Center, Public Works Corporation Yard and the Police Building.

Significant Objectives

- Complete SVP System Expansion Plan Report Transmission Planning Process FY2024/25 with discrete short- and long-term plans to meet 1,100 MW peak system demand to accommodate 20% increase in electric system load growth in the next ten years.
- Continue monthly engagement on the CAISO planning process so that direction is provided to Pacific Gas & Electric to develop and construct projects to increase bulk electric system transmission capacity to serve Santa Clara's electric load growth.
- Initiate SVP's 50 MW Kifer Battery Energy Storage System Project (BESS) located on City-owned property next to the DVR power plant. The project will provide multiple benefits in serving peak loads, increase the use of renewable energy and improve system resiliency. The project has a goal of commercial operation in mid-2025 and will include an Energy Storage and Lease Agreement.
- Proactively maintain SVP's fleet of turbines and generators according to Original Equipment Manufacturer (OEM) recommendations.
- Provide leadership to support the department's resources by implementing staff development and succession planning to develop skills and enhance knowledge.
- Provide construction and commissioning support of multiple substation construction projects.
- Develop communications design standards for use in Substations.
- Provide enhanced vegetation management and maintenance of transmission lines in the City of Santa Clara and remote locations, including Glenn and Tehama Counties.
- Test and perform preventative maintenance on 1,000 protection relays.
- Identify and execute replacement strategy for the JungleMUX SONET Multiplexer optical network.
- Continue to ensure wholesale trading activities comply with Council-approved policy and regulations, minimize SVP's credit exposure, monitor counterparty credit risk, and ensure compliance with CAISO tariff and regulations.
- Continue to provide energy efficiency education and programs to customers to help them reduce their energy use and lower their electric bills, promote renewable energy options, investigate emerging technologies, and provide assistance to qualified low-income customers to reduce the burden of their electric bills.
- Participate and comply with the California Air Resources Board (CARB) Low Carbon Fuel Standard (LCFS) Program to develop, educate, and foster the adoption of electrification as the transportation fuel.
- Meet state regulatory requirements for renewable resources and carbon reduction targets while keeping SVP cost competitive.

Budget Highlights

- Enhance substation maintenance to support the transition from time-based and reactive maintenance to preventative and predictive maintenance necessary to ensure the reliability of substations as the number of substations increase and related technology implementations advance.
- Augment funding for maintenance of underground systems and tree trimming directed at reducing power distribution system outages. In 2022, this activity resulted in a reduction in outages from 298 outages in 2021, to 135 outages in 2022. This funding will also provide for the purchase of additional inventory and the rental of additional equipment for distribution maintenance programs that will continue to support the reduction of equipment outages.
- Increase funding to support an enhanced preventative maintenance approach at the City's power plants. SVP will continue implementing best in class predictive and preventative maintenance practices throughout the generation fleet including identifying additional equipment for scheduled preventative overhaul. As a result of this enhanced maintenance approach, Generation has achieved a 50% reduction in backlogged work and improved the on-time completion of preventative maintenance activities from less than 20% in FY 2019/20 to over 90% consistently in FY

2020/21 and FY 2021/22. Maintaining in-town generation assets in peak operating condition both reduces costs to the utility and improves reliability during periods of peak demand.

- Add funding for an online training portal software application for Electric Utility Operations staff as a whole, and specifically to provide initial, onboarding, and continuing education requirements for system operators. In addition to delivering self-paced training to employees, this platform will be used to track and support Electric Utility Operations employee's task qualification, training cadence, and skill sets, ensuring that all compliance requirements related to system operations tasks are met by each employee resulting in a consistently trained and highly skilled workforce.
- Support a new customer program to procure Renewable Energy Certificates (RECs) primarily for large customers. This is voluntary program called Large Customer Renewable Energy Program (LCRE) which was approved by City Council on November 16, 2021. This action includes funding for Silicon Valley Power to procure renewable energy in excess of the current Renewable Portfolio Standard (RPS) requirements for customers that subscribe to the LCRE. SVP recovers the cost of the program on the customer's monthly utility bill.
- Expand the electric transportation acceleration initiatives to ensure Santa Clara is an EV Ready Community by 2030. This includes ongoing funding for the Fleet Advisory/Technical Assistance program and educational webinars that target multifamily housing, non-profits and small commercial customers.
- Implement Greenhouse Gas (GHG) programs that could include new solar installations, solar installations combined with battery storage, and solar projects combined with electric vehicle (EV) infrastructure for City facilities and neighborhood school locations. This includes continued program support for DC fast charging infrastructure in combination with potential of an award of \$500,000 through California Energy Commission's EnergIIZE grant funding for fleet infrastructure.



Electric Utility Department

222.00 FTEs

Administrative and Business Services¹

2.00	Account Clerk II
1.00	Account Clerk III
4.00	Assistant Director of Electric
1.00	Chief Electric Utility Officer
1.00	Chief Operating Officer
1.00	Electric Division Manager
1.00	Electric Program Manager
3.00	Management Analyst
1.00	Office Specialist II
1.00	Office Specialist III
1.00	Power Contract Specialist
1.00	Senior Business Analyst
1.00	Senior Management Analyst
2.00	Time and Material Clerk

21.00 Total Administrative and Business Services FTE

Customer Development and Project Management

1.00	Assistant Electric Utility Engineer
1.00	Electric Division Manager - Engineering
3.00	Electric Program Manager
6.00	Electric Utility Engineer
3.00	Engineering Aide - Electric
1.00	Office Specialist II
1.00	Principal Electric Estimator
5.00	Principal Electric Utility Engineer
1.00	Principal Engineer Aide
7.00	Senior Electric Utility Engineer
2.00	Senior Electric Utility Engineer - Distribution Planning
1.00	Senior Electric Utility Engineer - Operation Planning
1.00	Senior Electric Utility Engineer - Project Relay
5.00	Senior Electrical Estimator
3.00	Senior Engineering Aide

41.00 Total Customer Development and Project Management FTE

¹ In FY 2023/24, Administrative Services and Business Services Divisions were combined into one Division



Resource Planning and Engagement

1.00	Business Analyst - Fiber
1.00	Business Analyst - Public Benefits
1.00	Communications Coordinator
3.00	Electric Division Manager
5.00	Electric Program Manager
1.00	Electric Utility Engineer
1.00	Energy Conservation Coordinator
1.00	Energy Conservation Specialist
1.00	Engineering Aide - Fiber
2.00	Fiber Splicing Technician
2.00	Key Customer Representative
1.00	Office Specialist II
1.00	Office Specialist III
1.00	Power Account Clerk I
1.00	Power Account Clerk III
6.00	Power System Scheduler/Trader
1.00	Power Trader
1.00	Principal Power Analyst
1.00	Resource Analyst II
1.00	Risk Control Analyst
2.00	Senior Electric Division Manager
1.00	Senior Electric Division Manager - Marketing
1.00	Senior Electric Utility Engineer - Fiber
1.00	Senior Key Customer Representative
1.00	Senior Power System Scheduler / Trader
2.00	Senior Resource Analyst
2.00	Service Coordinator - Inspector Fiber
1.00	Utility Locator

44.00 Total Resource Planning and Engagement FTE

Utility Operations

1.00	Compliance Manager
1.00	Database Administrator
7.00	Electric and Water System Operator
4.00	Electric Crew Foreperson
6.00	Electric Division Manager
2.00	Electric Maintenance Worker
3.00	Electric Meter Technician
7.00	Electric Program Manager
2.00	Electric Utility Equipment Operator
9.00	Electric Utility Generator Technician
4.00	Electric Utility Helper/Driver
3.00	Electric Utility Network Administrator
5.00	Electric Utility Program Analyst
7.00	Electrician
12.00	Journey Lineworker
3.00	Journey Lineworker Apprentice
1.00	Management Analyst
2.00	Meter Data Analyst
1.00	Office Specialist II
1.00	Power Trader
1.00	Principal Utility Information System Manager
2.00	Senior Electric and Water System Operator
1.00	Senior Electric Division Manager
1.00	Senior Electric Meter Technician
1.00	Senior Electric Utility Engineer - Generation
5.00	Senior Electric Utility Generation Tech
2.00	Senior Electrician Technician
3.00	Senior Energy Systems Analyst
2.00	Senior Instrument and Control Technician
1.00	Senior Materials Handler
4.00	Service Coordinator - Inspector
3.00	Staff Aide II
2.00	Troubleshooter
1.00	Underground Crew Leader
6.00	Utility Electrician Technician

116.00 Total Utility Operations FTE



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program						
Administrative and Business Services Division ¹						
1311 Financial Services ²	1,266,097	1,772,853	1,261,946	(28.8%)	1,303,417	3.3%
1316 Administrative Services	43,950,100	44,573,620	55,408,558	24.3%	59,270,370	7.0%
Total Administrative and Business Services Division	45,216,197	46,346,473	56,670,504	22.3%	60,573,787	6.9%
Customer Development and Project Management Division						
1361 SVP Engineering	14,566,982	13,871,283	14,314,504	3.2%	14,885,399	4.0%
Total Customer Development and Project Management Division	14,566,982	13,871,283	14,314,504	3.2%	14,885,399	4.0%
Utility Operations Division						
1324 Electric Compliance ³	1,393,917	3,231,288	3,390,788	4.9%	3,493,295	3.0%
1351 Systems Support	4,635,676	6,147,040	6,808,135	10.8%	6,923,899	1.7%
1362 Power Systems Control	4,086,868	5,231,313	6,496,509	24.2%	6,887,896	6.0%
1371 Communications & Meter Technical Support	1,974,567	2,463,578	1,902,921	(22.8%)	2,031,549	6.8%
1372 Substation Maintenance	4,869,546	7,169,689	12,324,587	71.9%	11,838,832	(3.9%)
1376 Transmission & Distribution	11,761,879	18,767,203	18,112,614	(3.5%)	19,115,834	5.5%
1377 Generation Maintenance	15,990,397	18,002,922	16,499,419	(8.4%)	17,441,118	5.7%
Total Utility Operations Division	44,712,850	61,013,033	65,534,973	7.4%	67,732,423	3.4%
Resource Planning and Engagement Division						
1312 Public Benefits	9,258,938	15,317,067	18,303,639	19.5%	14,570,853	(20.4%)
1313 Key Accounts ⁴	1,648,084	2,654,579	2,316,720	(12.7%)	2,427,768	4.8%
1315 LCRE Program ⁸	333,913	1,000,000	1,765,700	76.6%	2,015,700	14.2%
1317 Fiber Program ⁵	1,225,934	2,755,751	4,327,949	57.1%	4,302,631	(0.6%)
1319 SVP Electric Vehicle Program	1,955,292	3,169,766	3,162,788	(0.2%)	3,084,546	(2.5%)
1325 Greenhouse Gas Program	8,548,630	15,062,953	21,450,804	42.4%	16,653,781	(22.4%)
1356 Resource Management	10,357,135	11,781,961	12,417,468	5.4%	12,954,046	4.3%
1358 Risk Management and Settlements ⁶	3,610,139	3,897,838	3,925,893	0.7%	4,076,318	3.8%
Total Resource Planning and Engagement Division	36,938,065	55,639,915	67,670,961	21.6%	60,085,643	(11.2%)



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program						
Revenue and Resources Division						
1321 Revenues and Resources Costs	429,383,023	499,015,287	46,187,409	(90.7%)	89,766,150	94.4%
1326 Resource and Production ⁷	N/A	N/A	468,625,508	N/A	493,411,107	5.3%
Total Revenue and Resources Division	429,383,023	499,015,287	514,812,917	3.2%	583,177,257	13.3%
Total by Division / Program	570,817,117	675,885,991	719,003,859	6.4%	786,454,509	9.4%
Dollars by Fund						
Electric Utility Fund	551,054,257	642,336,205	676,086,628	5.3%	752,145,329	11.2%
Electric Operating Grant Trust Fund	19,762,860	33,549,786	42,917,231	27.9%	34,309,180	(20.1%)
Total by Fund	570,817,117	675,885,991	719,003,859	6.4%	786,454,509	9.4%

¹ In FY 2023/24, Administrative Services and Business Services Divisions were combined into one Division

² In FY 2023/24, Program 1311 Rates and Budget was renamed to Financial Services

³ In FY 2023/24, Program 1324 Electric Compliance was moved from the Business Services Division to the Utility Operations Division

⁴ In FY 2023/24, Program 1313 Key Accounts was moved from the Customer Development and Project Management to the Resource Planning & Engagement Division

⁵ In FY 2023/24, Program 1317 Fiber Program was moved from the Customer Development and Project Management to the Resource Planning & Engagement Division

⁶ In FY 2023/24, Program 1358 Risk Management was moved from the Business Services Division to the Resource Planning & Engagement Division and was renamed to "Risk Management and Settlements"

⁷ New Program in FY 2023/24

⁸ The Green Power Program was replaced with the Large Customer Renewable Energy (LCRE) Program beginning in January 2023 as described in RTC 21-1487

Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Category						
Salary and Benefits						
Salary	25,568,586	34,571,918	39,291,128	13.7%	41,770,720	6.3%
As-Needed	405,983	800,600	1,555,000	94.2%	1,642,000	5.6%
Overtime	4,593,073	5,019,700	7,438,600	48.2%	8,140,300	9.4%
Retirement	10,116,668	12,993,973	13,501,266	3.9%	14,449,301	7.0%
Health Allocation	2,324,923	3,453,355	3,980,380	15.3%	4,205,375	5.7%
Medicare	526,210	625,870	789,653	26.2%	844,337	6.9%
Social Security	1,436,105	1,772,240	2,400,831	35.5%	2,466,904	2.8%
Other Benefits	1,197,420	1,560,010	1,660,771	6.5%	1,739,573	4.7%
Total Salary and Benefits	46,168,968	60,797,666	70,617,629	16.2%	75,258,510	6.6%
Non-Personnel						
Materials/Services/Supplies	31,695,963	52,744,759	61,745,784	17.1%	62,538,574	1.3%
Resource/Production	407,115,829	428,265,146	468,625,508	9.4%	493,411,107	5.3%
Interfund Services	14,093,083	15,137,167	12,224,315	(19.2%)	12,447,865	1.8%
Transfers to Other Funds	44,184,143	88,753,328	71,692,209	(19.2%)	105,083,320	46.6%
CLT and Franchise	27,259,168	28,643,887	33,971,414	18.6%	37,578,133	10.6%
Capital Outlay	299,963	1,544,038	127,000	(91.8%)	137,000	7.9%
Total Non-Personnel	524,648,149	615,088,325	648,386,230	5.4%	711,195,999	9.7%
Total by Category	570,817,117	675,885,991	719,003,859	6.4%	786,454,509	9.4%



Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Division / Program					
Administrative and Business Services Division ¹					
1311 Financial Services ²	4.00	5.00	5.00	0.00	5.00
1316 Administrative Services	10.00	11.00	16.00	5.00	16.00
Total Administrative and Business Services Division	14.00	16.00	21.00	5.00	21.00
Customer Development and Project Management Division					
1361 SVP Engineering	36.00	39.00	41.00	2.00	41.00
Total Customer Development and Project Management Division	36.00	39.00	41.00	2.00	41.00
Utility Operations Division					
1324 Electric Compliance ³	6.00	7.00	8.00	1.00	8.00
1351 Systems Support	13.00	13.00	14.00	1.00	14.00
1362 Power Systems Control	11.00	13.00	14.00	1.00	14.00
1371 Communications & Meter Technical Support	8.00	8.00	6.00	(2.00)	6.00
1372 Substation Maintenance	16.00	18.00	21.00	3.00	21.00
1376 Transmission & Distribution	33.00	36.00	31.00	(5.00)	31.00
1377 Generation Maintenance	19.00	22.00	22.00	0.00	22.00
Total Utility Operations Division	106.00	117.00	116.00	(1.00)	116.00
Resource Planning and Engagement Division					
1312 Public Benefits	4.00	4.00	4.00	0.00	4.00
1313 Key Accounts ⁴	8.00	8.00	7.00	(1.00)	7.00
1317 Fiber Program ⁵	5.00	5.00	10.00	5.00	10.00
1319 SVP Electric Vehicle Program	1.00	1.00	1.00	0.00	1.00
1325 Greenhouse Gas Program	1.00	1.00	1.00	0.00	1.00
1356 Resource Management	15.00	14.00	15.00	1.00	15.00
1358 Risk Management and Settlements ⁶	8.00	9.00	6.00	(3.00)	6.00
Total Resource Planning and Engagement Division	42.00	42.00	44.00	2.00	44.00
Total by Division / Program	198.00	214.00	222.00	8.00	222.00

¹ In FY 2023/24, Administrative Services and Business Services Divisions were combined into one Division

² In FY 2023/24, Program 1311 Rates and Budget was renamed to Financial Services

³ In FY 2023/24, Program 1324 Electric Compliance was moved from the Business Services Division to the Utility Operations Division

⁴ In FY 2023/24, Program 1313 Key Accounts was moved from the Customer Development and Project Management to the Resource Planning & Engagement Division

⁵ In FY 2023/24, Program 1317 Fiber Program was moved from the Customer Development and Project Management to the Resource Planning & Engagement Division

⁶ In FY 2023/24, Program 1358 Risk Management was moved from the Business Services Division to the Resource Planning & Engagement Division and was renamed to "Risk Management and Settlements"



Position Summary

	FY 2022/23 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Fund					
Electric Utility Fund	192.00	208.00	216.00	8.00	216.00
Electric Operating Grant Trust Fund	6.00	6.00	6.00	0.00	6.00
Total by Fund	198.00	214.00	222.00	8.00	222.00

Position Classification					
Account Clerk II	2.00	2.00	2.00	0.00	2.00
Account Clerk III	1.00	1.00	1.00	0.00	1.00
Assistant Director Electric - Business Services	1.00	1.00	1.00	0.00	1.00
Assistant Director Electric - Customer Develop and Project Mgmt	1.00	1.00	1.00	0.00	1.00
Assistant Director Electric - Energy Distribution	1.00	1.00	1.00	0.00	1.00
Assistant Director Electric - Planning and Strategic Services	1.00	1.00	1.00	0.00	1.00
Assistant Electric Utility Engineer	1.00	1.00	1.00	0.00	1.00
Business Analyst - Fiber	1.00	1.00	1.00	0.00	1.00
Business Analyst - Public Benefits	1.00	1.00	1.00	0.00	1.00
Chief Operating Officer	1.00	1.00	1.00	0.00	1.00
Chief Electric Utility Officer	1.00	1.00	1.00	0.00	1.00
Communications Coordinator	1.00	1.00	1.00	0.00	1.00
Compliance Manager	1.00	1.00	1.00	0.00	1.00
Database Administrator	1.00	1.00	1.00	0.00	1.00
Electric and Water System Operator	6.00	7.00	7.00	0.00	7.00
Electric Crew Foreperson	4.00	4.00	4.00	0.00	4.00
Electric Division Manager	10.00	10.00	10.00	0.00	10.00
Electric Division Manager - Engineering	1.00	1.00	1.00	0.00	1.00
Electric Maintenance Worker	2.00	2.00	2.00	0.00	2.00
Electric Meter Technician	3.00	3.00	3.00	0.00	3.00
Electric Program Manager	10.00	15.00	16.00	1.00	16.00
Electric Utility Engineer	7.00	7.00	7.00	0.00	7.00
Electric Utility Equipment Operator	2.00	2.00	2.00	0.00	2.00
Electric Utility Generator Technician	9.00	9.00	9.00	0.00	9.00
Electric Utility Helper/Driver	4.00	4.00	4.00	0.00	4.00
Electric Utility Network Administrator	2.00	2.00	3.00	1.00	3.00
Electric Utility Program Analyst	4.00	4.00	5.00	1.00	5.00
Electrician	7.00	7.00	7.00	0.00	7.00
Energy Conservation Coordinator	1.00	1.00	1.00	0.00	1.00
Energy Conservation Specialist	1.00	1.00	1.00	0.00	1.00

Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Position Classification					
Engineering Aide	1.00	1.00	0.00	(1.00)	0.00
Engineering Aide - Electric	3.00	3.00	3.00	0.00	3.00
Engineering Aide - Fiber	1.00	1.00	1.00	0.00	1.00
Fiber Splicing Technician	2.00	2.00	2.00	0.00	2.00
Journey Lineworker	12.00	12.00	12.00	0.00	12.00
Journey Lineworker Apprentice	3.00	3.00	3.00	0.00	3.00
Key Customer Representative	2.00	2.00	2.00	0.00	2.00
Management Analyst	0.00	0.00	4.00	4.00	4.00
Meter Data Analyst	2.00	2.00	2.00	0.00	2.00
Office Specialist II	4.00	4.00	4.00	0.00	4.00
Office Specialist III	2.00	2.00	2.00	0.00	2.00
Power Account Clerk I	1.00	1.00	1.00	0.00	1.00
Power Account Clerk III	1.00	1.00	1.00	0.00	1.00
Power Contract Specialist	1.00	1.00	1.00	0.00	1.00
Power System Scheduler/Trader	6.00	6.00	6.00	0.00	6.00
Power Trader	2.00	2.00	2.00	0.00	2.00
Principal Electric Estimator	1.00	1.00	1.00	0.00	1.00
Principal Electric Utility Engineer	4.00	5.00	5.00	0.00	5.00
Principal Engineer Aide	1.00	1.00	1.00	0.00	1.00
Principal Power Analyst	1.00	1.00	1.00	0.00	1.00
Principal Utility Information System Manager	1.00	1.00	1.00	0.00	1.00
Project Manager	1.00	1.00	0.00	(1.00)	0.00
Resource Analyst II	2.00	2.00	1.00	(1.00)	1.00
Risk Control Analyst	1.00	1.00	1.00	0.00	1.00
Senior Business Analyst	1.00	2.00	1.00	(1.00)	1.00
Senior Electric and Water System Operator	1.00	1.00	2.00	1.00	2.00
Senior Electric Division Manager	3.00	3.00	3.00	0.00	3.00
Senior Electric Division Manager - Marketing	1.00	1.00	1.00	0.00	1.00
Senior Electric Meter Technician	1.00	1.00	1.00	0.00	1.00
Senior Electric Utility Engineer	1.00	5.00	7.00	2.00	7.00
Senior Electric Utility Engineer - Control	1.00	0.00	0.00	0.00	0.00
Senior Electric Utility Engineer - Distribution Planning	2.00	2.00	2.00	0.00	2.00
Senior Electric Utility Engineer - Fiber	1.00	1.00	1.00	0.00	1.00
Senior Electric Utility Engineer - Generation	1.00	1.00	1.00	0.00	1.00
Senior Electric Utility Generation Tech	5.00	5.00	5.00	0.00	5.00
Senior Electric Utility Engineer - Operation Planning	1.00	1.00	1.00	0.00	1.00



Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Position Classification					
Senior Electric Utility Engineer - Project Relay	1.00	1.00	1.00	0.00	1.00
Senior Electrical Estimator	5.00	5.00	5.00	0.00	5.00
Senior Electrician Technician	2.00	2.00	2.00	0.00	2.00
Senior Energy Systems Analyst	3.00	3.00	3.00	0.00	3.00
Senior Engineering Aide	3.00	3.00	3.00	0.00	3.00
Senior Instrument and Control Technician	1.00	2.00	2.00	0.00	2.00
Senior Key Customer Representative	1.00	1.00	1.00	0.00	1.00
Senior Management Analyst	0.00	0.00	1.00	1.00	1.00
Senior Materials Handler	1.00	1.00	1.00	0.00	1.00
Senior Power System Scheduler / Trader	1.00	1.00	1.00	0.00	1.00
Senior Resource Analyst	1.00	1.00	2.00	1.00	2.00
Service Coordinator - Inspector	1.00	3.00	4.00	1.00	4.00
Service Coordinator - Inspector Fiber	2.00	2.00	2.00	0.00	2.00
Staff Aide II	4.00	4.00	3.00	(1.00)	3.00
Time and Material Clerk	2.00	2.00	2.00	0.00	2.00
Troubleshooter	2.00	2.00	2.00	0.00	2.00
Underground Crew Leader	1.00	1.00	1.00	0.00	1.00
Utility Electrician Technician	4.00	6.00	6.00	0.00	6.00
Utility Locator	1.00	1.00	1.00	0.00	1.00
Total Positions	198.00	214.00	222.00	8.00	222.00



Budget Reconciliation

	Positions	Expenditures (All Funds)
Prior Year Budget	214.00	675,885,991
FY 2023/24 Base Budget Adjustments		
One-Time Cost Adjustments		
Capital Outlay - Miscellaneous Tools, Digger Derrick, and Bucket Truck		(1,527,038)
One time Transfers to the General Fund for Position Adds		(986,573)
One time Transfers to the Parks Capital Fund for Parks Service Roof Project		(300,000)
Ongoing Cost Adjustments		
Salary and benefits adjustments		7,732,976
Addition of 3.0 FTE from RTC 22-1145 (Approved by City Council September 27, 2022)	3.00	612,486
- Add 1.0 Senior Management Analyst		
- Add 2.0 Management Analyst		
Addition of 5.0 FTE from RTC 22-1172 (Approved by City Council November 15, 2022)	5.00	1,474,501
- Add 1.0 Electric Program Manager		
- Add 1.0 Senior Electric Utility Engineer		
- Add 1.0 Senior Electric and Water System Operator		
- Add 1.0 Electric Utility Network Administrator		
- Add 1.0 Service Coordinator-Inspector		
Resources purchased and generation and pumping expenses		40,360,362
Debt service transfer due to reflect financing schedule		17,730,139
Increase to various transfers for EV replacements and renewable power purchases		13,327,171
SVP Transfer to the General Fund		5,327,527
Increase to Contractual Services		3,639,103
Net increase in Materials Services and Supplies		737,682
Changes in services from other funds - cost allocation plan		712,435
Transfer to the General Fund for services		349,749
Capital Outlay		110,000
Reduced transfer to various capital improvement programs due to project schedule changes		(47,181,605)
Decrease in Mandated Program costs		(6,223,760)
Net decrease in various interfund services allocations		(3,625,287)
Total Base Budget Adjustments	8.00	32,269,868
Total FY 2023/24 Base Budget	222.00	708,155,859



Budget Reconciliation

	Positions	Expenditures (All Funds)
Service Level Changes		
Substation Maintenance and Outage Response & Repair		2,632,000
Augment Underground Maintenance and Tree Trimming Services		1,966,000
Generation Maintenance		732,000
Managed Training Portal (Software Application)		290,000
Bundled Renewable Energy Certificates (RECs)		750,000
Electric Vehicle Programs and Rebates		1,828,000
Greenhouse Gas Program Updates		2,650,000
Total Service Level Changes	0.00	10,848,000
Total FY 2023/24 Proposed Budget	222.00	719,003,859
FY 2024/25 Base Budget Adjustments		
Ongoing Cost Adjustments		
Salary and benefits adjustments		4,640,881
Increased transfer to various capital improvement programs due to project schedule changes		41,393,115
Resources purchased and generation and pumping expenses		24,785,599
SVP Transfer to the General Fund		3,606,719
Debt service transfer due to reflect financing schedule		2,017,114
Increase in Mandated Program costs		959,900
Changes in services from other funds - cost allocation plan		179,511
Net increase in various interfund services allocations		44,039
Increased transfer to the General Fund for services		23,987
Capital Outlay		10,000
Decrease to transfers for renewable power purchases		(10,043,105)
Net decrease in Materials Services and Supplies		(167,110)
Total FY 2024/25 Base Adjustments	0.00	67,450,650
Total FY 2024/25 Base Budget	222.00	786,454,509
Total FY 2024/25 Proposed Budget	222.00	786,454,509

Service Level Changes

Title	Positions	FY 2023/24		FY 2024/25	
		One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Substation Maintenance and Outage Response & Repair	0.00	0	2,632,000	0	1,705,000

Program: 1372 – Substation Maintenance

This proposal includes ongoing funding to support the transition from time-based and reactive maintenance to preventative and predictive maintenance necessary to ensure the reliability of substations as the number of substations increase and related technology implementations advance.

This item includes resource augmentation for the routine testing and maintenance of protective relays that is necessary until an appropriate number of in-house relay technicians are hired. The additional resources will provide maintenance and original equipment manufacturer (OEM) support for a variety of real-time maintenance monitoring equipment and software installed for power transformers, circuit breakers, and switchgear; and unplanned critical substation equipment repair.

Performance Impact

Adding outside resources and contracts to support the transition of the substation maintenance program during the rapid substation expansion and technical evolution occurring currently will mitigate reliability and compliance risk by providing additional resources and expertise.

Strategic Pillar:



Deliver and Enhance High Quality Efficient Services and Infrastructure.



Service Level Changes

Title	Positions	FY 2023/24		FY 2024/25	
		One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Augment Underground Maintenance and Tree Trimming Services	0.00	0	1,966,000	0	1,910,000

Program: 1376 – Transmission & Distribution

This proposal augments funding for maintenance of underground systems and tree trimming directed at reducing power distribution system outages. In 2022, this activity resulted in a reduction in outages from 298 outages in 2021, to 135 outages in 2022. This funding will provide for the purchase of additional inventory and the rental of additional equipment for distribution maintenance programs that will continue to support the reduction of equipment outages.

Tree-related outages decreased by nearly 50% from 2021 to 2022 (42 outages in 2021 compared to 20 in 2022). This was achieved through analysis and prioritization of systematic trimming and the application of additional resources for the removal of conflicts between tree and overhead distribution lines. This action is anticipated to continue with the following activities: patrolling all distribution circuits maintaining tree/circuit clearances over a 3-year cycle while including adequate resources applied to address emergent tree complaints.

Performance Impact

Adding additional outside resources, additional inventory, and additional equipment will support the downward trend in distribution system outages.

Strategic Pillar:



Deliver and Enhance High Quality Efficient Services and Infrastructure.



Service Level Changes

Title	Positions	FY 2023/24		FY 2024/25	
		One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Generation Maintenance	0.00	0	732,000	0	796,000

Program: 1377 – Generation

This proposal increases funding to support an enhanced preventative maintenance approach at the City's power plants. SVP will continue implementing best in class predictive and preventative maintenance practices throughout the generation fleet including identifying additional equipment for scheduled preventative overhaul. As a result of this enhanced maintenance approach, Generation has achieved a 50% reduction in backlogged work and improved the on-time completion of preventative maintenance activities from less than 20% in FY 2019/20 to over 90% consistently in FY 2020/21 and FY 2021/22. Maintaining in-town generation assets in peak operating condition both reduces costs to the utility and improves reliability during periods of peak demand.

Costs of procuring power outside of the City and demand for power inside of the Santa Clara have increased significantly. These activities will increase the availability of SVP's generation fleet, reducing the amount of net market power purchases needed to support SVP's load.

Performance Impact

Increased proactive maintenance activities will ensure the reliability of equipment during critical peak months when SVP relies on City-owned generating assets the most. Increased use of predictive and preventative maintenance strategies will provide for additional long-term reliability improvements, as equipment is monitored and maintained based on data-driven decisions.

Strategic Pillar:



Deliver and Enhance High Quality Efficient Services and Infrastructure.

Service Level Changes


Title	Positions	FY 2023/24		FY 2024/25	
		One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Managed Training Portal (Software Application)	0.00	0	290,000	0	290,000

Program: 1362 – Power System Control

This proposal includes funding for an online training portal for Electric Utility Operations staff as a whole, and specifically to provide initial, onboarding, and continuing education requirements for system operators. In addition to delivering self-paced training to employees, this platform will be used to track and support Electric Utility Operations employee's task qualification, training cadence, and skill sets. The platform will also be utilized to ensure that all compliance requirements related to system operations tasks are met per employee. Overall, this portal will facilitate the production of a consistently trained and highly skilled workforce.

Performance Impact

The utilization of this platform will ensure that SVP Utility Operations employees receive a well-managed, consistent, high level of training, conducive to the development of highly qualified and skilled employees.

Strategic Pillar:  Deliver and Enhance High Quality Efficient Services and Infrastructure.


Title	Positions	FY 2023/24		FY 2024/25	
		One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Bundled Renewable Energy Certificates (RECs)	0.00	0	750,000	0	1,000,000

Program: 1315 – Large Customer Renewable Energy (LCRE) Program

This proposal includes funding for the voluntary bundled Large Customer Renewable Energy Program (LCRE) program which was approved by City Council on November 16, 2021. The current Green Power program will shift from an unbundled renewable energy credit (REC) program to a voluntary bundled Large Customer Renewable Energy Program (LCRE). This action includes funding for Silicon Valley Power to procure renewable energy in excess of the current Renewable Portfolio Standard (RPS) requirements for customers that subscribe to the LCRE. SVP recovers the cost of the program on the customer's monthly utility bill.

Performance Impact

This program provides a way for the customer to meet their sustainability goals when the Customer's goals are higher than the SVP's current RPS.

Strategic Pillar:  Promote Sustainability and Environmental Protection

Service Level Changes

Title	Positions	FY 2023/24		FY 2024/25	
		One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Electric Vehicle Programs and Rebates	0.00	0	1,828,000	0	1,728,200

Program: 1319 – SVP Electric Vehicle Program

This proposal includes funding to continue and expand the electric transportation acceleration initiatives to ensure Santa Clara is an EV Ready Community by 2030. This includes ongoing funding for the Fleet Advisory/Technical Assistance program and educational webinars that target multifamily housing, non-profits and small commercial customers. **Residential Program Expansion:** Understanding that not all community members want or have the ability to drive electric, SVP proposes to expand its programs beyond vehicle rebates and proposes to fund programs that support all modes of transportation via a Community Transit Program and an Electric Ride Share Program in partnership with VIA and the City of Cupertino. To support an innovative electric grid, SVP proposes a managed electric vehicle (EV) charging program and an EV Submeter Program. **Business Program Expansion:** SVP plans to continue to provide EV charging infrastructure technical assistance and proposes to expand this assistance by offering Fleet Advisory / Technical Assistance to commercial and industrial customers operating fleets in Santa Clara. SVP also plans to improve its existing multifamily, nonprofit and commercial EV charging rebate program by increasing rebate incentives for level 2 EV chargers and expanding eligible equipment to include level 1 and low-level 2 outlets. **Public Agency Program Expansion:** SVP plans to expand its support of public agencies and the school district by offering an EV School Bus Program and offering subsidized public charging for low-to-moderate income (LMI) customers via a new direct-install program.

Performance Impact

In conjunction with maintaining and expanding existing EV programs such as vehicle rebates, EV charging rebates, and EV charging technical assistance, this funding will expand potential third-party programs. Procuring third-party program administrators and consultants to support staff in this effort will help to address the operational constraints while allowing staff to direct focus on supporting a number of growing initiatives that enhance overall city operations and support the City's Climate Action Plan.

Strategic Pillar:



Promote Sustainability and Environmental Protection



Service Level Changes

		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Greenhouse Gas Program Updates	0.00	0	2,650,000	0	3,950,000

Program: 1325 – Greenhouse Gas Program

This proposal includes funding to implement new programs that could include new solar installations, solar installations combined with battery storage, and solar projects combined with electric vehicle (EV) infrastructure for City facilities and neighborhood school locations. This funding includes continued program support for DC fast charging infrastructure in combination with potential of an award of \$500,000 through California Energy Commission’s EnergIIZE grant funding for fleet infrastructure. This funding also allows for the continued purchase of Zero Emission Vehicles to replace fossil fuel vehicles.

Performance Impact

The deployment of renewables and expanded deployment of EVs and EV charging result in quantifiable greenhouse gas (GHG) reductions.









Strategic Pillar:



Promote Sustainability and Environmental Protection
















Performance and Workload Measures

Administrative & Business Services Division¹							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Maintain bond rating (Fitch Ratings)		"AA-" Rating	"AA-" Rating	"AA-" Rating	"AA-" Rating	"AA-" Rating	"AA-" Rating
Maintain debt service coverage ratio on senior and subordinate debt		N/A	3.79	2.00	2.00	2.00	2.00
Submit annual bond disclosures as required by due dates		100%	100%	100%	100%	100%	100%
Timely, accurate submittal of various State, local and federal agency reports		100%	100%	100%	100%	100%	100%
Meet American Public Power Association Public Power Provider (RP3) and NWPPA standards of performance		100%	100%	100%	100%	100%	100%
Workload Measures							
Generate and submit bond disclosures as required by the continuing disclosure agreement for all SVP and JPA revenue bonds		11	12	11	13	13	13
Actively participate in all JPA governing boards		3	3	3	3	3	3
Actively participate in community events		100%	100%	100%	100%	100%	100%

¹ In FY 2023/24, Administrative Services and Business Services Divisions were combined into one Division














Performance and Workload Measures

Customer Development and Project Management Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Annual fiber lease gross revenues		\$3.07M	\$3.04M	\$3.00M	\$3.05M	\$3.08M	\$3.11M
Percent of fiber system availability		99.45%	99.80%	100%	100%	100%	100%
Deliver fiber service order estimates within two weeks of initial request		100%	100%	100%	100%	100%	100%
Complete first encroachment review within 15 days		100%	100%	100%	100%	100%	100%
Workload Measures							
Substation drawing updates		300	300	300	300	300	300
Design and construction standard document release		1	13	5	20	50	150
Customer/Developer estimates released for requested work		114	143	125	125	125	125
Encroachment permit reviews completed (incl. resubmittals) *		539	557	600	600	600	600
Substructure estimates mapped; city work estimates mapped		125	189	125	125	125	125
Approval of pole contacts (communication and small cell attachments)		177	539	450	450	475	475
Number of fiber service or job requests completed		27	16	25	25	25	25
Number of fiber quotes processed		52	46	50	50	50	50
Number of leased fiber miles per year		1,602	1,562	1,667	1,580	1,588	1,596

* This measure was reworded from the prior year.

Performance and Workload Measures

Resource Planning and Engagement Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
First year net energy savings achieved (in MWh)		6,210	11,536	14,565	11,013	11,013	10,604
State agency reports by due dates		100%	100%	100%	100%	100%	100%
Maintain residential customer satisfaction rating ^{a1}		N/A	N/A	85%	85%	85%	85%
Maintain high customer satisfaction rating for business accounts using 1–10 rating matrix ^{b1}		N/A	9.0	9.0	9.0	9.0	9.0
Percent of customers enrolled in the Green Power Program – <i>Delete for FY 2023/24 ^c</i>		8.00%	8.00%	10.00%	N/A	N/A	N/A
Cumulative total GWh enrolled in Green Power Program – <i>Delete for FY 2023/24 ^c</i>		426 GWh	350 GWh	350 GWh	N/A	N/A	N/A
Cumulative total Gigawatt hour (GWh) enrolled in the Large Customer Renewable Energy (LCRE) program – <i>New for FY 2023/24 ^c</i>		N/A	N/A	N/A	11 GWh	50 GWh	50 GWh
Comply with the California Energy Commission (CEC) Renewables Portfolio Standard (RPS) reporting procedures – <i>New for FY 2023/24 ^c</i>		N/A	N/A	N/A	100	100%	100%
Comply with Low Carbon Fuel Standard program (spending) requirements per CARB		100%	100%	100%	100%	100%	100%
Host a minimum of two outreach events annually		50%	100%	100%	100%	100%	100%
Participate in quarterly carbon auctions to sell allowances		4	4	4	4	4	4

a. Study performed by California Municipal Utility Association biennially, alternating between residential and commercial customers each occurrence, based on industry standard criteria on a sample of customers.





b. Study performed by E-Source, based on industry standard criteria on SVP provided list of largest 50-75 customers.

c. The Green Power Program was replaced with the Large Customer Renewable Energy (LCRE) Program beginning in January 2023 as described in RTC 21-1487 on November 16, 2021.

¹ In FY 2023/24 moved from Customer Development and Project Management Division to Resource Planning and Engagement Division.



Performance and Workload Measures

Resource Planning and Engagement Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Successful submission of SVP's yearly Resource Adequacy plan to CAISO		100%	100%	100%	100%	100%	100%
Successful submission of SVP's load forecast to the CEC (1 report) and PG&E (3 reports)		100%	100%	100%	100%	100%	100%
Meet or exceed California's RPS (Renewables Portfolio Standard) requirement / RECs (Renewable Energy Credits) that are, or will be retired, to meet the RPS program obligations based on calendar year		33%/35%	35%/37%	37%/38%	37%/38%	37%/38%	37%/38%
Analyze and evaluate counterparty credit worthiness ¹		100%	100%	100%	100%	100%	100%

¹ In FY 2023/24 moved from Business Services Division to Resource Planning and Engagement Division.



Performance and Workload Measures

Resource Planning and Engagement Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Number of program brochures and postcards generated and distributed energy efficiency programs *		17	9	4	6	5	5
Number of educational videos produced to promote energy efficiency		0	2	3	3	3	4
Number of rebate applications processed through energy efficiency programs		613 ^a	216	200	200	200	200
Prepare and submit Bi-annual Distributed Energy Resource (DER report) for California Energy Commission (CEC) ¹		2	2	2	2	2	2
Hold large industrial/commercial customer engagement meeting ¹		1	1	1	1	1	1
Prepare and submit quarterly customer update report for SVP internal stakeholders ¹		4	4	4	4	4	4
Outreach materials reviewed and refreshed		25	20	20	4	4	4
Generate solar energy usage reports - Delete for FY 2023/24 ^c		12	N/A	12	N/A	N/A	N/A
Submit annual compliance reports to the CEC – New for FY 2023/24		Yes	Yes	N/A	Yes	Yes	Yes
Submit annual compliance reports to the customer – New for FY 2023/24		Yes	Yes	N/A	Yes	Yes	Yes
Number of commercial customers enrolled and contracted with Option B (“Bring-Your-Own” renewable energy) of the LCRE program – New for FY 2023/24		N/A	N/A	N/A	2	5	1
Provide customer compliance progress update – New for FY 2023/24		Yes	Yes	N/A	Yes	Yes	Yes

* This measure was reworded from the prior year.












a. Higher number of rebates was resulted from the grant-funded refrigerator recycling program and the increasing room air cleaners rebates due to the lighting strikes and fires.

c. The Green Power Program was replaced with the Large Customer Renewable Energy (LCRE) Program beginning in January 2023 as described in RTC 21-1487 on November 16, 2021.

¹ In FY 2023/24 moved from Customer Development and Project Management Division to Resource Planning and Engagement Division.
















Performance and Workload Measures

Resource Planning and Engagement Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Attend CARB workshops and meetings for program compliance		4	4	4	4	4	4
Prepare and submit Low Carbon Fuel Standards report		5	5	5	5	5	5
Host annual public meetings, events, or workshops		1	2	4	2	2	2
Process Electric Vehicle charger rebates (annually)		58	117	60	60	60	60
Install electric public access EV charging stations		44	48	40	40	50	50
Prepare Cap-and-Trade allowance reports and forms for CARB		2	2	2	2	2	2
Develop ten-year load forecasts for CEC, PG&E and CAISO)		3	3	3	3	3	3
Submit day ahead bids and schedules to CAISO		>100,000	82,000	82,000	82,000	82,000	82,000
Number of counterparty reviews completed ¹		55	55	55	55	55	55
Review CAISO reports on a weekly basis to ensure SVP credit limit has not been exceeded ¹		52	52	52	52	52	52
Generate Power and Gas Gross Margin Statements and Gas Pre-Pay Reports every month ¹		24	24	24	24	24	24

¹ In FY 2023/24 moved from Business Services Division to Resource Planning and Engagement Division.











Performance and Workload Measures

Utility Operations Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percent of employees attended safety and compliance training ¹		85%	93%	95%	95%	95%	95%
Percent of Environmental Health and Safety (EH&S) recommendations implemented pursuant to audits – <i>New for FY 2023/24</i>		100%	100%	N/A	100%	100%	100%
Annual self-certification of compliance with 20 NERC requirements selected by the regional entity, WECC ¹		100%	100%	100%	95%	95%	95%
Maintain compliance with 70 NERC standards/600 requirements ¹		100%	98%	100%	98%	95%	95%
Perform on-going environmental health and safety and NERC compliance activities in accordance with Internal Compliance Program Schedule ¹		100%	98%	100%	100%	100%	100%
Average Service Availability Index (percentage)		99.97%	99.98%	99.99%	99.99%	99.99%	99.99%
Customer Average Interruption Duration Index (CAIDI) (minutes)		183	114	125	125	125	125
System Average Interruption Duration Index (SAIDI) (minutes)		169	81	85	85	85	85
System Average Interruption Frequency Index (SAIFI) (long)		0.9	0.7	0.7	0.7	0.7	0.7
System Average Interruption Frequency Index (SAIFI) (momentary)		0.24	0.07	0.25	0.25	0.25	0.25
Total number of outages		189	185	160	190	190	190
Hot washing of electrical substation equipment		98%	98%	100%	100%	100%	100%
Substation Infrared (IR) inspections		100%	100%	100%	100%	100%	100%

¹ In FY 2023/24 moved from Business Services Division to Utility Operations Division.



Performance and Workload Measures











Utility Operations Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Complete one detailed grid inspections for underground and overhead infrastructure per year		50%	16%	100%	100%	100%	100%
Complete four grid patrols in accordance with GO165 (Walking, Drive By)		100%	31%	100%	100%	100%	100%
Generation Availability *		74%	87%	90%	90%	90%	90%
Safety and Compliance training completion rate *		95%	90%	90%	90%	90%	90%
NERC CIP compliance reports submitted on time		100%	100%	100%	100%	100%	100%
Completion of system support work orders within 3 business days		>70%	>70%	>70%	>70%	>70%	>70%
On-time completion of preventative maintenance work orders *		89%	94%	90%	90%	90%	90%
Corrective work order backlog ¹		54%	25%	35%	35%	35%	35%

* This measure was reworded from the prior year.

¹ This measure was reworded from the prior year. In the FY 2021/22 Adopted Operating Budget book, this measure was incorrectly titled, "Completion of corrective non-routine maintenance work orders". It is being corrected to "Corrective work order backlog". The data reported remains the same.



Performance and Workload Measures







Utility Operations Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Develop and maintain NERC Reliability Standard Audit Worksheets for current and upcoming NERC standards ¹		0	10	10	10	10	10
Refresh and update NERC Compliance internal controls including automated reminders and documents (e.g., guide sheets, policies and procedures, and workflows) ^{*1}		40	39	25	35	35	40
Number of Internal Audit of NERC Compliances (e.g., Check-ins, quarterly review, and spot checks) – <i>New for FY 2023/24</i>		N/A	N/A	N/A	N/A	20	20
Number of employees lost time due to injuries		0	0	0	0	0	0
Number of employees attending safety and compliance training ¹		162	232	186	186	186	186
Complete Annual Reviews of Internal Compliance Standards for NERC, OSHA, and other State and federal regulations ¹		31	42	10	10	10	10
Number of work orders processed by the meter shop		>600	>600	>600	>600	>600	>600
Number of detailed substation inspections		336	360	396	396	348	360
Transformer dissolved gas analysis performed per year		54	57	57	57	216	216
Load tap changer dissolved gas analysis performed per year		36	40	43	43	216	216

^{*} This measure was reworded from the prior year.

¹ In FY 2023/24 moved from Business Services Division to Utility Operations Division.



Performance and Workload Measures

Utility Operations Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Number of preventative and corrective work orders completed – Delete for FY 2023/24		1,646	1,777	1,400	N/A	N/A	N/A
Number of preventative maintenance work orders completed – New for FY 2023/24 splitting out measure above		1,646	1,777	1,400	1,400	1,600	1,600
Number of corrective maintenance work orders completed - New for FY 2023/24 splitting out measure above		N/A	N/A	N/A	200	200	200
Number of quarterly inspections performed for remote generation facilities – Delete for FY 2023/24		10	14	16	N/A	N/A	N/A
Environmental health and safety program review – Delete for FY 2023/24 consolidated to measure below		12	5	10	N/A	N/A	N/A
Policy, program, and procedures update and review *		10	10	10	12	12	12

* This measure was reworded from the prior year.

This page is intentionally left blank.

Finance Department

This page is intentionally left blank.

Finance Department Description

The Finance Department administers the financial affairs of the City, including City-owned public utilities. These functions include: budget administration and control; maintaining a general accounting system and the preparation of annual comprehensive financial reports; collection of taxes, fees, special assessments and utility charges; investment of City funds; procurement of supplies, materials, equipment, and services; operating the City Warehouse; issuance of bonds and debt management; and financial management of contracts, including leases.

Divisions and Services

The Finance Department is organized into five Divisions: Accounting; Administrative Services; Budget; Municipal Services; and Purchasing.

Accounting Division Mission	Provide relevant, accurate, and timely transaction processing and financial reporting services in compliance with laws, regulations, City policies and professional standards.
Division Objectives	<p>Continue to enhance and utilize the Finance/Human Resources Management System (FHRMS) in support of relevant, accurate and timely accounting processes.</p> <p>Continue training of Accounting staff and citywide end-users in FHRMS financial modules and process workflow.</p> <p>Identify areas for improvements and streamlining of accounting processes in support of work product efficiencies. Continue to utilize new technology enhancements to empower end users to access financial information.</p>
Administrative Services Division Mission	Be a proactive participant in Citywide strategic planning and decision-making, adding value as a provider of financial advice, analysis, and investment and debt management.
Division Objectives	<p>Manage the outstanding debt of the City and its agencies in compliance with established policies and bond covenants.</p> <p>Manage cash flow and invest cash in accordance with established policies and procedures. Prepare monthly reports for the City and its agencies.</p> <p>Monitor the financing needs of the City and its agencies. Manage negotiated and public-bid bond issuance.</p> <p>Manage special projects as assigned.</p> <p>Manage production of the City's annual financial reports, general-purpose financial statements and annual comprehensive financial report (ACFR).</p>



Budget Division Mission	Be the primary source of financial analysis in the City's continuing effort to maintain and strengthen its fiscally responsible core value.
Division Objectives	Manage and produce the biennial operating and capital budgets.
	Manage and produce the Ten-Year Financial Forecast for the City and prepare periodic and annual revenue forecasts.
	Analyze budget performance during the year and prepare Monthly Financial Reports.
	Monitor and report the City's appropriations limit and general contingency reserves.
	Monitor the State budget and related legislative activities with economic implications.
	Develop strategies to balance the budget.
	Assist and provide support for negotiations with employee bargaining groups.
Municipal Services Division Mission	Work collaboratively with departments on any necessary budget amendments during the year.
	Provide customer service to our utility and business certificate customers, manage the activities of the Municipal Services division in accordance with the City's rules and regulations, code, and policies consistent with professional and ethical standards, and be proactive in developing and delivering currently available automated features and conveniences to our customers.
	Provide customers with courteous, accurate and timely solutions to their inquiries and requests.
	Promote and enhance customer self-service options and electronic payment offerings for customers
	Continue upgrading the functionality and underlying business processes of the Utility Management Information System (UMIS).
	Promote and enhance on-line Business License enrollment and renewal.
	Provide customers with safe, reliable self-service options for improved customer satisfaction.
Division Objectives	Process and oversee custody of all cash and checks received over the counter or in the mail.



Purchasing Division Mission	Support and facilitate the timely and efficient procurement of supplies, materials, equipment, and services required by City Departments while ensuring compliance to City Policies, applicable government regulations, and best practices in public sector procurement to obtain the lowest cost while maintaining appropriate internal controls. Oversee Central Warehouse operations to ensure that the City's electric and water utilities are stocked with parts to support their operations and process outgoing mail for the City. Facilitate the disposition of surplus property to ensure a fair and transparent process is followed and maximum value is recovered.
Division Objectives	Provide internal customers and vendors with courteous, accurate and timely solutions to their inquiries and requests.
	Negotiate and recommend execution of contracts or blanket purchase agreements for the purchase of supplies, materials and equipment.
	Act to procure for the City the needed quality and quantity of supplies, materials and equipment at the least expense to the City.
	Prepare and recommend to the City Manager rules governing the purchase of supplies, materials, equipment, and services for the City.
	Keep informed of current developments in the field of purchasing, prices, market conditions and new products.
	Competitively procure inventory items for the Central Warehouse to ensure inventory is maintained at levels sufficient to support field operation requirements.

Significant Accomplishments

- Provided staff support and analysis for the Business Tax ballot measure that was approved by the voters in November 2022.
- Updated Chapter 2.105 of the Santa Clara City Code to increase bid thresholds to \$250,000 for materials and general services and increase the City Manager's signature authority to \$250,000 to reflect current practices as benchmarked against both federal and local agencies purchasing practices.
- Updated the City's Procurement Card Policy to improve the reconciliation process and audit procedures of the program to reduce risks associated with inappropriate or fraudulent use of P-Cards.
- Upgraded the Business Tax and License system enabling new E-Check payment option for Business Tax Customers.
- Upgraded Utility Customer Service Call Center software enabling Call Center staff to answer incoming calls remotely.
- Implemented new Utility Meter Reading Software/Hardware with enhanced security features utilizing a hosted platform.
- Enrolled City of Santa Clara in the State of California Low Income Household Water Assistance Program (LIHWAP)
- Supported the Emergency Operations Center including procurement and cost accounting functions. Reviewed FEMA requirements and accounted for citywide COVID-19 expenditures in order to maximize federal funding.
- Updated the City's Investment Policy to reflect the most recent allowable investment types mandated by the State.
- Transitioned banking and merchant services to a new service provider, JP Morgan Chase, to generate cost savings while enhancing customer experience and technology efficiencies.
- Introduced a Procurement Guide to provide clarity around processes to create faster procurement cycles to obtain goods and services.
- Expanded access to employee self-service capabilities to empower more users to manage aspects of their own employee profile online.
- Received the Government Finance Officers Association (GFOA) award for excellence in financial reporting for fiscal year 2021/22. This is the thirty-first consecutive year receiving the award.
- Implemented an online budget tool that connects stakeholders to the City's annual budget to promote transparency and accountability.
- Provided departmental trainings on the various phases of budget development.
- Received the Capital Budget Excellence Award for FY 2022/23 and FY 2023/24 and the Operating Budget Excellence Award for FY 2021/22 and FY 2022/23 from the California Society of Municipal Finance Officers (CSMFO) and the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) for the FY 2021/22 and FY 2022/23 Biennial Operating Budget.

Significant Objectives

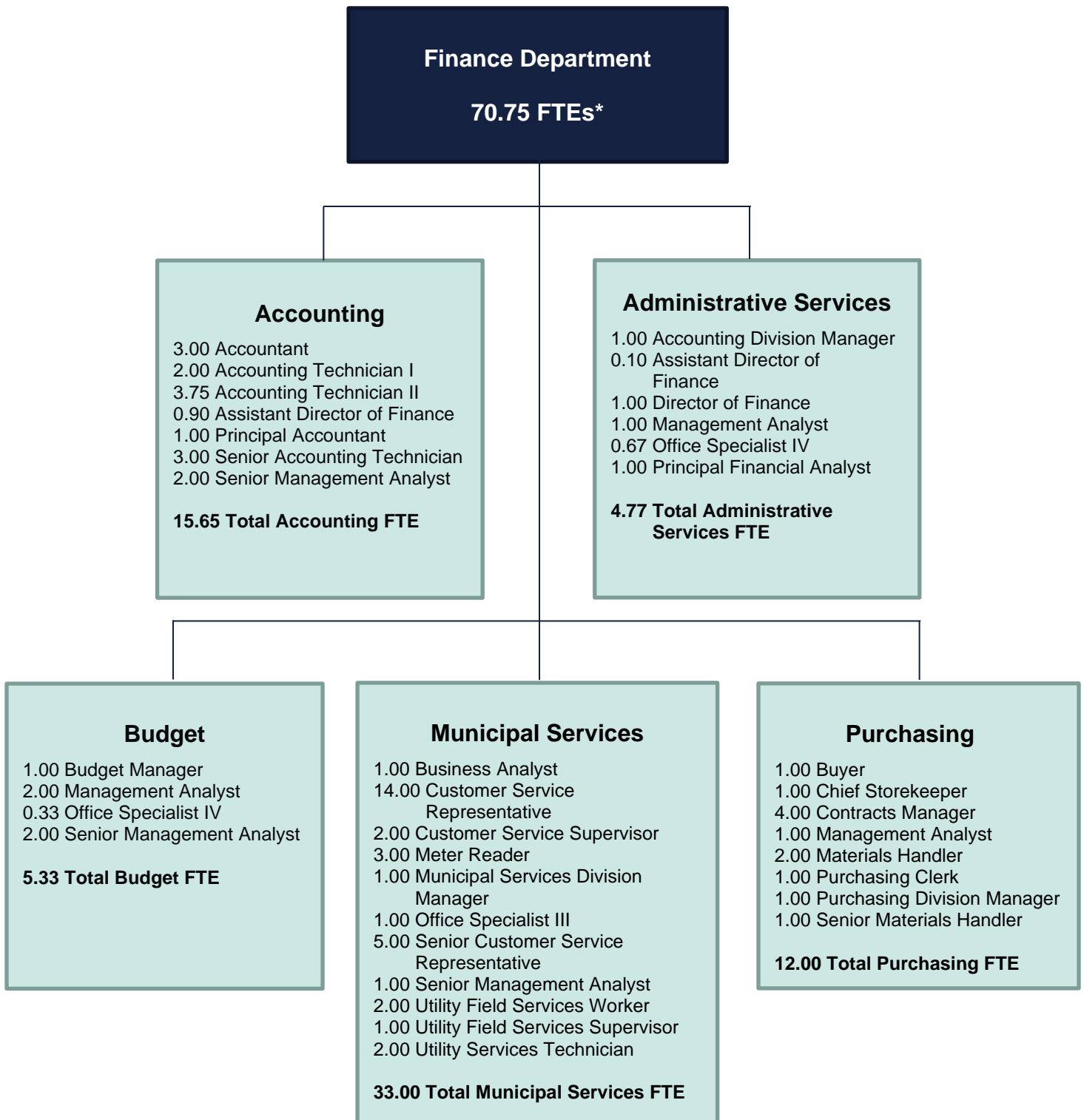
- Continue to upgrade the Finance and Human Resources Management System (FHRMS) products gain City-wide efficiencies, deliver updated reporting capabilities and features in the Accounting Division.
- Implement automation for payroll and timekeeping functions across the City and coordinate with the Human Resources Department on the automation of benefits administration.
- Update the accounts receivable and accounts payable modules in the FHRMS to provide decentralized entry and electronic approval workflows.
- Implement capital assets module in FHRMS to provide greater asset accountability.
- Conduct audits of external facilities; provide cashier training to staff in outside facilities.



- Replace end of life CORE Onestep Cashiering System.
- Implement a new online utility billing platform to enhance customers' reporting and payment capabilities.
- Implement new Business Tax Ordinance approved by voters in November 2022 and upgrade the software and customer self-service portal to support the new Business Tax Methodology.
- Develop and implement processes, administrative policies, and procedures with the goal of streamlining and improving the procurement and contracting process.
- Conduct citywide trainings on updated cash handling processes resulting from new technology.
- Continue to enhance the City's budget development practices that connect to the City Council's priorities and policy direction.
- Establish a series of on-demand purchasing training materials addressing a wide variety of topics related to procurement and contracting.
- Implement a new contracts management system to automate the process of tracking agreements.

Budget Highlights

- Reduces non-personnel funding for training and travel, printing of budget books, and supplies.



*The positions above represent all funded positions. This excludes the 1.0 Office Specialist III position that was frozen, as approved by the City Council on March 9, 2021 (Agenda Item 5.0 – Report to Council 21-402).



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program						
Accounting Division						
3322 General Accounting	3,172,125	3,833,619	3,753,694	(2.1%)	3,921,591	4.5%
Total Accounting Division	3,172,125	3,833,619	3,753,694	(2.1%)	3,921,591	4.5%
Administrative Services Division						
3362 Citywide Fiscal Planning	2,281,677	1,430,700	1,354,182	(5.3%)	1,507,245	11.3%
Total Administrative Services Division	2,281,677	1,430,700	1,354,182	(5.3%)	1,507,245	11.3%
Budget Division						
3315 Budget and Financial Analysis	2,305,537	2,288,129	2,186,196	(4.5%)	2,263,071	3.5%
Total Budget Division	2,305,537	2,288,129	2,186,196	(4.5%)	2,263,071	3.5%
Municipal Services Division						
3332 Utility Billing Services	2,893,059	4,011,526	4,111,703	2.5%	4,252,968	3.4%
3333 Revenue Receipting/Cashiering	538,829	658,576	670,919	1.9%	709,873	5.8%
3334 Business Certificate	329,079	370,100	387,103	4.6%	402,792	4.1%
3335 Field Services	1,111,036	1,041,637	1,061,463	1.9%	1,114,681	5.0%
3336 Administration	364,078	325,376	326,858	0.5%	338,715	3.6%
3337 Contact Center/Communication	804,334	690,397	738,440	7.0%	778,620	5.4%
Total Municipal Services Division	6,040,415	7,097,612	7,296,486	2.8%	7,597,649	4.1%
Purchasing Division						
3341 Warehouse	995,404	1,706,670	1,808,321	6.0%	1,843,646	2.0%
3343 Purchasing	1,086,305	1,456,137	1,782,520	22.4%	1,868,505	4.8%
3344 Mail Services	6,049	8,123	10,858	33.7%	11,064	1.9%
Total Purchasing Division	2,087,758	3,170,930	3,601,699	13.6%	3,723,215	3.4%
Total by Division / Program	15,887,512	17,820,990	18,192,257	2.1%	19,012,771	4.5%



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Fund						
General Fund	15,887,512	17,820,990	18,192,257	2.1%	19,012,771	4.5%
Total by Fund	15,887,512	17,820,990	18,192,257	2.1%	19,012,771	4.5%
Dollars by Category						
Salary and Benefits						
Salary	6,688,703	7,536,252	7,778,369	3.2%	8,185,673	5.2%
As-Needed	305,807	181,531	186,714	2.9%	192,055	2.9%
Overtime	13,040	16,950	17,545	3.5%	18,157	3.5%
Retirement	2,727,249	2,884,137	2,906,668	0.8%	3,071,179	5.7%
Health Allocation	748,475	936,903	1,083,893	15.7%	1,131,398	4.4%
Medicare	112,629	124,571	130,086	4.4%	136,507	4.9%
Social Security	416,311	477,261	516,065	8.1%	535,147	3.7%
Other Benefits	390,334	428,345	446,352	4.2%	464,511	4.1%
Total Salary and Benefits	11,402,548	12,585,950	13,065,692	3.8%	13,734,627	5.1%
Non-Personnel						
Materials/Services/Supplies	2,478,956	3,113,018	3,177,512	2.1%	3,342,971	5.2%
Interfund Services	2,006,008	2,122,022	1,949,053	(8.2%)	1,935,173	(0.7%)
Total Non-Personnel	4,484,964	5,235,040	5,126,565	(2.1%)	5,278,144	3.0%
Total by Category	15,887,512	17,820,990	18,192,257	2.1%	19,012,771	4.5%



Position Summary

		FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Division / Program						
Accounting Division						
3322	General Accounting	15.65	15.65	15.65	0.00	15.65
Total Accounting Division		15.65	15.65	15.65	0.00	15.65
Administrative Services Division						
3362	Citywide Fiscal Planning	4.77	4.77	4.77	0.00	4.77
Total Administrative Services Division		4.77	4.77	4.77	0.00	4.77
Budget Division						
3315	Budget and Financial Analysis	5.33	5.33	5.33	0.00	5.33
Total Budget Division		5.33	5.33	5.33	0.00	5.33
Municipal Services Division						
3332	Utility Billing Services	14.80	14.80	14.80	0.00	14.80
3333	Revenue Receipting/Cashiering	4.10	4.10	4.10	0.00	4.10
3334	Business Certificate	1.60	1.60	1.60	0.00	1.60
3335	Field Services	6.15	6.15	6.15	0.00	6.15
3336	Administration	1.50	1.50	1.50	0.00	1.50
3337	Contact Center/Communication	4.85	4.85	4.85	0.00	4.85
Total Municipal Services Division		33.00	33.00	33.00	0.00	33.00
Purchasing Division						
3341	Warehouse	5.45	5.45	5.45	0.00	5.45
3343	Purchasing	4.55	5.55	6.55	1.00	6.55
Total Purchasing Division		10.00	11.00	12.00	1.00	12.00
Total by Division / Program		68.75	69.75	70.75	1.00	70.75

Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Fund					
General Fund	68.75	69.75	70.75	1.00	70.75
Total by Fund	68.75	69.75	70.75	1.00	70.75
Position Classification					
Accountant	3.00	3.00	3.00	0.00	3.00
Accounting Division Manager	1.00	1.00	1.00	0.00	1.00
Accounting Technician I	2.00	2.00	1.00	(1.00)	1.00
Accounting Technician II	3.75	3.75	4.75	1.00	4.75
Assistant Director of Finance	1.00	1.00	1.00	0.00	1.00
Budget Manager	1.00	1.00	1.00	0.00	1.00
Business Analyst	1.00	1.00	1.00	0.00	1.00
Buyer	1.00	1.00	1.00	0.00	1.00
Chief Storekeeper	1.00	1.00	1.00	0.00	1.00
Contracts Manager	3.00	4.00	4.00	0.00	4.00
Customer Service Representative	14.00	14.00	14.00	0.00	14.00
Customer Service Supervisor	2.00	2.00	2.00	0.00	2.00
Director of Finance	1.00	1.00	1.00	0.00	1.00
Management Analyst	4.00	4.00	4.00	0.00	4.00
Materials Handler	2.00	2.00	2.00	0.00	2.00
Meter Reader	3.00	3.00	3.00	0.00	3.00
Municipal Services Division Manager	1.00	1.00	1.00	0.00	1.00
Office Specialist III	1.00	1.00	1.00	0.00	1.00
Office Specialist IV	1.00	1.00	1.00	0.00	1.00
Principal Accountant	1.00	1.00	1.00	0.00	1.00
Principal Financial Analyst	1.00	1.00	1.00	0.00	1.00
Purchasing Clerk	1.00	1.00	1.00	0.00	1.00
Purchasing Division Manager	1.00	1.00	1.00	0.00	1.00
Senior Accounting Technician	3.00	3.00	3.00	0.00	3.00
Senior Customer Service Representative	5.00	5.00	5.00	0.00	5.00
Senior Management Analyst	4.00	4.00	5.00	1.00	5.00
Senior Materials Handler	1.00	1.00	1.00	0.00	1.00
Utility Field Services Supervisor	2.00	2.00	2.00	0.00	2.00
Utility Field Services Worker	1.00	1.00	1.00	0.00	1.00
Utility Services Technician	2.00	2.00	2.00	0.00	2.00
Total Positions	68.75	69.75	70.75	1.00	70.75



Budget Reconciliation

	Positions	Expenditures (All Funds)
Prior Year Budget	69.75	17,820,990
FY 2023/24 Base Budget Adjustments		
One-Time Cost Adjustments		
GASB/Actuarial Services (amounts vary every two years)		(25,000)
Cost Allocation Plan (every two years)		(50,000)
Ongoing Cost Adjustments		
Salary and benefits adjustments		281,164
- Reclassification of 1.0 Accounting Technician I to Accounting Technician II		
Addition of 1.0 Senior Management Analyst (RTC 22-1145, funded by SVP)	1.00	198,578
Net change in interfund services		(172,969)
Net Non-Personnel Adjustments		158,494
Total Base Budget Adjustments	1.00	390,267
Total FY 2023/24 Base Budget	70.75	18,211,257
Service Level Changes		
Non-Personnel Reductions		(19,000)
Total Service Level Changes	0.00	(19,000)
Total FY 2023/24 Proposed Budget	70.75	18,192,257
FY 2024/25 Base Budget Adjustments		
One-Time Cost Adjustments		
GASB/Actuarial Services (amounts vary every two years)		25,000
Cost Allocation Plan (every two years)		50,000
Ongoing Cost Adjustments		
Salary and benefits adjustments		668,935
Net change in interfund services		(13,880)
Net Non-Personnel Adjustments		90,459
Total Base Budget Adjustments	0.00	820,514
Total FY 2024/25 Base Budget	70.75	19,012,771
Total FY 2024/25 Proposed Budget	70.75	19,012,771

Service Level Changes

		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Non-Personnel Reductions	0.00		(19,000)		(19,100)

Program: 3315 – Budget & Financial Analysis
3322 – General Accounting
3343 – Purchasing

This proposal reduces the training and travel budgets for the Budget (\$10,000 – from \$11,096 to \$1,096) and the Accounting (\$3,000 – from \$4,813 to \$1,813) divisions. Staff would need to rely more heavily on online training opportunities versus in-person training. This reduction is expected to have minimal impacts given the shift to online training post COVID-19. This action also reduces the budget for printing budget books by \$2,000 (from \$6,208 to \$4,208). Departments have reduced the requests for printed books and are relying more heavily on the online versions. Budget will work with departments on scaling back the printed budget books. General supplies will also be reduced by \$4,000 in the Budget (\$1,000 – from \$3,247 to \$2,247), Accounting (\$1,000 – from \$17,891 to \$16,891), Purchasing (\$1,000 from \$10,912 to \$9,912), and the Municipal Services (\$43,905 to \$42,905) divisions.

Performance Impact

This proposal will have minimal impacts on service delivery.

Strategic Pillar:




Deliver and Enhance High Quality Efficient Services and Infrastructure.



Performance and Workload Measures





Administrative Services Division

Performance Measures



	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Annual percentage yield on investments while following primary objectives of safety, liquidity, and yield		1.7%	1.3%	0.9%	2.2%	2.3%	2.4%

Accounting Division

Performance Measures




	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Complete the external audit process and preparation of City's Annual Comprehensive Financial Report with an unmodified audit opinion by December 31		100%	100%	100%	100%	100%	100%
Complete the preparation and submission of various State, local, and federal agency reports by due dates		100%	100%	100%	100%	100%	100%
Complete the month-end accounting close process and distribution of department budget status reports by the 15th working day of the following month		75%	42%	100%	50%	100%	100%
Process bi-weekly payroll and issuance of employee checks by the due date and on time		100%	100%	100%	100%	100%	100%










Workload Measures

Number of invoices processed		21,686	20,832	25,000	21,300	23,000	25,000
Number of checks and ACH payments issued		11,473	10,298	13,500	10,930	12,000	12,000

















Performance and Workload Measures

Budget Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percentage of variance between budget and actual revenues in the General Fund		0.2%	2.2%	2.0%	2.0%	2.0%	2.0%
Percentage of variance between budget and actual expenditures in the General Fund		4.0%	5.5%	2.0%	4.0%	2.0%	2.0%
Workload Measures							
Average number of comprehensive budget status reviews conducted with City departments to evaluate financial performance and budget deviations		3	3	4	3	4	4

Municipal Services Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percent of closed delinquent accounts collected in-house		93%	89%	95%	90%	95%	95%
Percent of delinquent Business License tax certificates at fiscal year-end		3.1%	2.9%	2.0%	4.2%	2.0%	2.0%
Percent of customer calls answered within 90 seconds		44%	51%	50%	48%	50%	50%
Average hold time of sequenced calls (m:s)		1:34	1:17	2:00	1:31	2:00	2:00
Percentage of calls with a call quality score of at least 4.75 out of 5.0		100%	94%	90%	90%	90%	90%
Workload Measures							
Average monthly number of utility accounts paying by automated methods		44,321	41,402	46,000	53,300	46,000	46,000
Average monthly utility payments processed		54,129	55,006	59,000	66,200	59,000	59,000
Number of business tax certificates processed annually		11,982	11,701	13,000	11,400	13,000	13,000
Number of service requests processed yearly		52,830	44,855	55,000	45,000	55,000	55,000



Performance and Workload Measures

Municipal Services Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Average number of utility accounts invoiced		N/A	66,178	69,000	67,500	69,000	70,000
Average monthly number of Business License renewals processed via the online portal		N/A	4,851	5,000	5,200	5,000	5,000
Average number of meters read monthly		85,082	86,126	88,000	87,500	88,000	88,000
Purchasing Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Writing off slow-moving inventory		N/A	10% of total value	10% of total value	10% of total value	10% of total value	10% of total value
Internal Customer Satisfaction of central warehouse		N/A	N/A	90% rated good or better	90% rated good or better	90% rated good or better	90% rated good or better
Cost savings/avoidance for all solicitations facilitated by the Purchasing Division contracts team		N/A	N/A	10%	10%	10%	10%
Cycle time to process purchase orders		N/A	N/A	5 days	5 days	5 days	5 days
Internal customer satisfaction of Purchasing Division		N/A	N/A	75% rated good or better	75% rated good or better	75% rated good or better	75% rated good or better
Workload Measures							
Number of RFx (RFP, RFQ, RFB) facilitated by the Purchasing Division – <i>New for FY 2023/24</i>		N/A	78	N/A	80	80	80
Number of purchase orders		1,265	1,290	1,280	1,290	1,290	1,290
Number of procurement card transactions		8,059	9,555	7,900	9,000	9,000	9,000
Number of inventory items cycle counted		2,718	2,195	2,750	2,500	2,500	2,500
Number of material requisitions		3,598	3,338	3,600	3,600	3,600	3,500
Number of mail pieces processed		64,631	58,352	66,750	60,000	60,000	60,000

This page is intentionally left blank.

Fire Department

This page is intentionally left blank.

Fire Department Description

The Fire Department responds with highly trained and well-equipped personnel to all types of emergency incidents, maintaining a citywide response time of less than six minutes to at least 90% of all Code 3¹ emergency calls. Response time is measured from the time of dispatch to the time of arrival and includes two minutes turnout time and four minutes travel time

Divisions and Services

The Fire Department's mission is to protect and enhance the quality of life of the community. The Fire Department is organized into six divisions: Field Operations, Emergency Medical Services (EMS), Community Risk Reduction, Training, Administration, and Office of Emergency Services.

The Field Operations Division is comprised of first responders to provide emergency response to residents, visitors, and businesses within the community. The Division is made up of eight fire engines, two fire trucks, one Hazardous Materials response unit, one Rescue response unit, one Battalion Chief, and one Shift Training/Safety Officer, per shift.

The Emergency Medical Services (EMS) Division provides first responder medical services (including Advanced Life Support) to all residents and visitors within the guidelines determined by the Santa Clara County EMS Authority. Using existing fire station staffing, the division also supports limited ambulance transport while authorized under special circumstances approved by Santa Clara County Emergency Medical Services agency when the County's contractor is unable to arrive on scene and provide transport services within the contracted time. The division maintains paramedic and emergency medical technician (EMT) licensure and certifications, maintains emergency medical equipment caches, works closely with the County EMS Authority to ensure County protocols, ensures training and programs are deployed to personnel, and acts as the agency's Designated Infection Control Officer (DICO).

The Community Risk Reduction Division (CRRD) protects our community through coordinated efforts in community education and outreach, fire engineering plan review and inspection services to maintain code compliance for new construction, emergency planning, hazardous materials enforcement, code enforcement, fire and hazardous materials investigations, and vegetation management. The CRRD oversees the Certified Unified Program Agency (CUPA) program on behalf of the City of Santa Clara. The City has been certified by the Secretary of the California Environmental Protection Agency to enforce the six environmental-based code enforcement programs. The CRRD coordinates the Santa Clara County Fire Chief's Association, Youth Firesetter Prevention and Intervention Program (YFPIP). The program is a County of Santa Clara, Juvenile Court Division-recognized diversionary program that gives youth offenders throughout the County an opportunity for a second chance.

The Training Division conducts and evaluates a wide variety of activities from simulated emergency incidents to assessments and classes, to ensure Fire Department personnel are performing at the highest levels of the profession. The Division maintains documentation to support State and Federal certification programs and develops and implements local and regional response/mitigation exercises focused on large-scale community events. The Training Division also assists the Human Resources Department in developing and administering Fire Department promotional examinations.

The Administrative Division provides management, organization, and support for the various divisions of the Fire Department. The primary duties that fall under this division include budget development and management, recruitment, grant management, accounts payable and payroll processing, fire station maintenance, workers' compensation coordination, strategic management and planning, data management, emergency / non-emergency photography and data analysis. The division manages the department web page, social media outlets, federal and state grants, annual department open house, creation and management of department maps including pre-incident planning, as well as the development, management and implementation of department policies and procedures.

¹ Code 3: Immediate response using red lights and siren; Code 2: No red lights or siren—expedited response adhering to all regular traffic laws.



The City's Office of Emergency Services provides emergency services training and coordination for the City in large-scale incidents requiring Emergency Operations Center activation and is also responsible for the City's emergency preparedness activities, hazard mitigation and disaster management plans. The division coordinates with the County and the State for large scale emergency preparedness.

Field Operations Division Mission		To enhance the quality of life for the community by providing caring, community-oriented service to protect life, property, and the environment.
Division Objectives		Maintain a citywide emergency response standard to all Code 3 incidents of six minutes from time of fire crew notification to first unit's arrival on scene at least 90% of the time.
		Provide an effective response force (ERF) of 17 personnel on scene of a structure fire in less than ten minutes from dispatch of alarm, at least 90% of the time.
		Provide hazardous materials response to protect the community from hazards associated with uncontrolled release of hazardous and toxic materials and respond to technical rescue emergencies efficiently and effectively.
		Provide special event (Fire and EMS) services to Levi's Stadium and all other significant special events held in the City of Santa Clara.
Emergency Medical Services Division Mission		Deliver quality emergency medical services to citizens and visitors of Santa Clara. All Santa Clara Firefighters are certified EMTs, and all fire engines and fire trucks are staffed with at least one paramedic.
Division Objectives		Provide first responder paramedic services to at least 90% of Code 3 medical emergencies citywide within 7:59 minutes/seconds from fire crew notification (per County EMS Authority standard).
		Process medical certifications and licenses for all Fire Department personnel and monitor for compliance with State and local government regulations.
		Provide quality assurance/quality improvement processes for treatment-based EMS delivery.
		Monitor and maintain custody and security of protected health information.
		Provide high quality EMS/EMT training and equipment to all Fire Department personnel and local stakeholders, as needed.
		Manage fire department ambulance transportation of patients to hospitals on a limited basis while authorized under special circumstances approved by Santa Clara County Emergency Medical Services agency.



Community Risk Reduction Division Mission	To protect life, property, and the environment through education, engineering, enforcement, economic incentives, empowerment, and emergency response.	
	Utilize community-specific data to reduce risks and injuries through focused community education and outreach programs.	
	Perform a wide array of plan reviews and construction inspections from planning and building permits, to fire-life safety systems, hazardous materials, and special events structures.	
	Investigate intentionally set fires and unauthorized hazardous materials releases. Work collaboratively with the Santa Clara Police Department and the County District Attorney's Office on both criminal and civil prosecutions.	
	Ensure ongoing compliance through focused training in fire safety, emergency drills, state hazardous materials reporting, and many more areas.	
Division Objectives	Enforce the six environmental-based code enforcement programs as designed by California Environmental Protection Agency (CalEPA).	
	Manage the operational permits and conduct inspections of existing community businesses and facilities to ensure compliance with applicable fire, life safety, and environmental protection regulations.	
Training Division Mission	Deliver high quality education and training in public safety to the members of the Santa Clara Fire Department and to the employees and citizens of the City of Santa Clara.	
	Provide annual, semi-annual, and quarterly drills in the disciplines of firefighting, hazardous materials response, and rescue operations to members of the Fire Department to promote skill development and continuous improvement.	
	Maintain records to support State and federal training certifications required for specific disciplines.	
	Perform Respiratory Protection Program self-contained breathing apparatus (SCBA) and respirator fit testing to maintain compliance with State and federal regulations.	
	Coordinate and schedule public education programs, school site visits, station tours, and other public outreach activities.	
Division Objectives		



Administrative Division Mission	Provide management, organization and support for the various Fire Department divisions that are actively engaged in the protection of life and property.
Division Objectives	Provide the community with information on Fire Department programs and services.
	Establish the vision and mission of the Department and communicate to all Fire Department personnel.
	Provide administrative and managerial support to all Fire Department divisions.
	Coordinate with other departments in the City as needed to support City projects and programs.
Office of Emergency Services Division Mission	Create a biennial budget that meets department needs and supports Council goals and objectives.
	To prevent, prepare for, mitigate, respond to and recover from all hazards.
	Provide emergency services coordination in the City of Santa Clara Emergency Operations Center (EOC) in the event of a large-scale incident requiring activation.
	Maintain the EOC in “response-ready” condition to serve as the City’s hub for emergency management activities in support of large-scale emergencies or planned events.
Division Objectives	Engage in hazard mitigation activities with the goal of reducing or eliminating long-term risk to people and property from future disasters and identifying long-term solutions that reduce the impact of disasters in the future.

Significant Accomplishments

- Completed update to the Santa Clara Fire Department Strategic Plan, including internal and external stakeholder participation.
- Established department photography team to capture images of Fire Department emergency response and daily events and activities.
- Successfully completed firefighter recruitment campaign and firefighter recruitment process.
- Awarded the 2021 Assistance to Firefighters Grant for annual wellness exams for sworn personnel and new LUCAS automatic chest compression devices.
- Awarded the 2021 Staffing for Adequate Fire and Emergency Response (SAFER) grant that will allow for the hiring of 18 firefighters.
- Purchased Type 1 engine, utilizing Mutual Aid reimbursement funding, with expected delivery date of August 2023. The engine will replace a front-line apparatus that will be moved to the reserve apparatus fleet.
- Successful launch of the Accela platform for fire construction permitting and inspection, taking the Community Risk Reduction division (CRRD) into a fully digital permitting process.
- CRRD took over the management of the Santa Clara County Fire Chief's Association Youth Firesetter Prevention & Intervention Program.
- Record attendance and participation at the 2022 Firehouse Family Fair in honor of the National Fire Protection Association Fire Prevention Week each October.
- Awarded CUPA Forum Trust Grant for a mercury meter for the Hazardous Materials Response Team.
- Successfully promoted 17 Firefighters to Driver Engineer.
- Hosted a multi-agency State Fire Training Firefighter 1 and 2 Fire Academy, including seven recruits from Santa Clara.
- Deployed 11 new LUCAS automatic compression devices on the front-line engines, trucks and ambulance to assist responders to perform CPR more efficiently and effectively.
- Provided infrastructure and procedures to staff the fire department ambulance in order to maintain patient care while transporting the City's medical patients to local hospitals authorized under special circumstances approved by Santa Clara County Emergency Medical Services agency when the County's contractor is unable to arrive on scene and provide transport services within the contracted time.
- Partially activated Emergency Operations Center, supporting the City's response to the January 2023 Atmospheric River event and remained poised in monitor mode throughout the winter storm season.
- Provided the 6th Annual Prepare Santa Clara EOC functional exercise to EOC staff.
- Resumed EOC training activities after a pause during the COVID-19 pandemic.

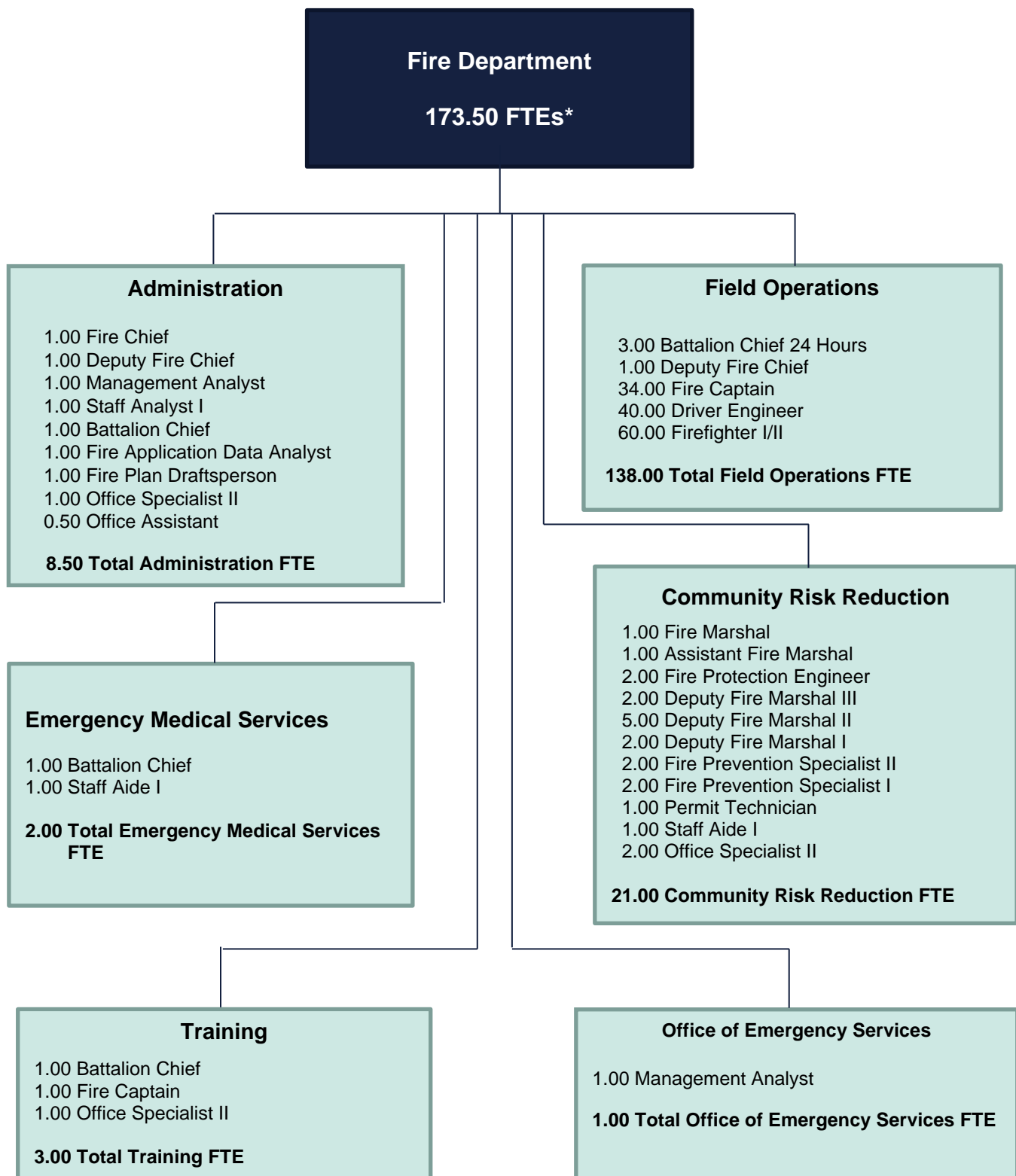
Significant Objectives

- Improve workflow and efficiencies with administrative staffing.
- Ensure policy and procedures are current and up to date.
- Continue to advance Fire Department initiatives in Inclusion, Diversity and Equity through community outreach, firefighter recruitment and public relations.
- Manage hiring and reimbursement process for the SAFER grant award.
- Maintain CalOES Type 2 certification for Hazardous Materials and Urban Search and Rescue.
- Obtain and integrate a live, find, search canine into operations capabilities in partnership with California Task Force 3; fully funded by FEMA and the National Disaster Search Dog Foundation.
- Complete the HdL transition to Accela for operational permit inspections in order to have a single database for Fire development and annual operational permits, which will provide real-time data for inspectors and emergency responders.
- Explore the implementation of the National Fire Protection Association CRAIG 1300 system. The program is used to collect community incident data effectively, and better enable the Department to identify, assess and share local demographic, geographic, and economic needs in developing community risk reduction programs.
- Expand the Firefighters in Safety Education (FISE) program to provide more classes to public and private schools in the community.
- Integrate data system with State CERS Next Gen Project in 2025.
- Host a State Fire Training Firefighter 1 and 2 Fire Academy for Santa Clara Recruit Firefighters hired under the SAFER grant award.
- Improve Fire and Life Safety Inspection documentation for Field Operations personnel.
- Develop training to ensure personnel are prepared for evolving building trends in City, including high-rise emergency drills for all Field Operations personnel.
- Staff Fire Department ambulance with existing fire station personnel while Santa Clara County is operating under Standard Dispatch Order 3, giving fire agencies the authority to provide transportation within the County.
- Lead a citywide Multi-Jurisdictional Hazard Mitigation Plan update project, in collaboration with the County and jurisdictional partners and stakeholders, to enable the City to apply for hazard mitigation grants, complete mitigation projects, and maintain the Federal Emergency Management Agency's (FEMA) Community Rating System (CRS) points.
- Continue implementing a training program for City EOC staff with regular trainings such as the Annual Prepare Santa Clara full-scale or functional exercise.
- Adopt a suicide prevention policy compatible with the Santa Clara County Suicide Prevention Strategic Plan.
- Reinvigorate the Community Emergency Response Team (CERT) program after a pause during the COVID-19 emergency response.



Budget Highlights

- The Proposed Budget incorporates budget actions related to the three-year SAFER grant award that generates General Fund savings:
 - Reduce the overtime budget to account for minimum staffing overtime savings generated through the SAFER grant award.
 - Establish General Fund transfers to the Fire Operating Grant Trust Fund where the SAFER positions are budgeted to subsidize the remainder of the staffing costs that were not covered by the SAFER Grant.
 - Increase the materials/services/supplies budget to fund the costs of the Fire Academy and other onboarding costs related to the SAFER grant-funded positions.



*The positions above represent all funded positions. This excludes the 2.0 FTEs that were originally funded by Related but are frozen beginning FY 2023/24 based on discussions with Related: 1.0 Deputy Fire Marshal II and 1.0 Fire Protection Engineer.



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program						
Administration Division						
7811 Administration	3,803,308	3,532,692	4,437,768	25.6%	4,700,854	5.9%
Total Administration Division	3,803,308	3,532,692	4,437,768	25.6%	4,700,854	5.9%
Field Operations Division						
7822 Field Operations	50,402,316	49,684,259	56,036,413	12.8%	56,651,007	1.1%
Total Field Operations Division	50,402,316	49,684,259	56,036,413	12.8%	56,651,007	1.1%
Community Risk Reduction Division						
7831 Administration, Investigation and Education ¹	0	0	968,843	0.0%	1,012,990	4.6%
7832 Prevention and Hazardous Materials ²	2,984,427	4,677,623	0	(100.0%)	0	N/A
7833 Certified United Program Agency (CUPA) ³	2,014,378	1,982,793	0	(100.0%)	0	N/A
7834 Development Services ⁴	0	0	2,684,186	N/A	2,821,878	5.1%
7835 Non-Development Services ⁵	0	0	1,400,420	N/A	1,484,914	6.0%
7836 Development CUPA ⁶	0	0	330,993	N/A	350,035	5.8%
7837 Non-Development CUPA ⁷	0	0	1,239,612	N/A	1,317,891	6.3%
Community Risk Reduction Division	4,998,805	6,660,416	6,624,054	(0.5%)	6,987,708	5.5%
Training Division						
7841 Training	1,646,195	1,797,655	1,403,295	(21.9%)	1,470,501	4.8%
Total Training Division	1,646,195	1,797,655	1,403,295	(21.9%)	1,470,501	4.8%

¹Administration, Investigation and Education is a new program effective FY 2023/24

²Prevention and Hazardous Materials is an inactive program effective FY 2023/24

³Certified United Program Agency (CUPA) is an inactive program effective FY 2023/24

⁴Development Services is a new program effective FY 2023/24

⁵Non-Development Services is a new program effective FY 2023/24

⁶Development CUPA is a new program effective FY 2023/24

⁷Non-Development CUPA is a new program effective FY 2023/24



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program						
Office of Emergency Services Division						
7871 Office of Emergency Services	221,520	216,061	246,300	14.0%	258,559	5.0%
Total Office of Emergency Services Division	221,520	216,061	246,300	14.0%	258,559	5.0%
Emergency Medical Services Division						
7861 Emergency Medical Services	1,722,233	991,384	984,179	(0.7%)	1,034,570	5.1%
Total Emergency Medical Services Division	1,722,233	991,384	984,179	(0.7%)	1,034,570	5.1%
Total by Division / Program	62,794,377	62,882,467	69,732,009	10.9%	71,103,199	2.0%



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Fund						
General Fund	50,795,435	62,298,852	62,616,032	0.5%	63,324,867	1.1%
American Rescue Plan Act Fund	11,314,440	0	0	N/A	0	N/A
Expendable Trust Fund	15,912	0	0	N/A	0	N/A
Fire Development Services Fund ⁸	0	0	3,109,073	N/A	3,264,818	5.0%
Fire Operating Grant Trust Fund	267,426	36,019	4,006,904	11024.4%	4,513,514	12.6%
Other City Departments Operating Grant Trust Fund	322,092	0	0	N/A	0	N/A
Related Santa Clara Developer Fund	79,072	547,596	0	(100.0%)	0	N/A
Total by Fund	62,794,377	62,882,467	69,732,009	10.9%	71,103,199	2.0%
Dollars by Category						
Salary and Benefits						
Salary	30,060,531	30,478,458	34,794,765	14.2%	36,484,823	4.9%
As-Needed	8,563	32,137	33,262	3.5%	34,426	3.5%
Overtime	5,487,468	3,725,385	2,675,202	(28.2%)	875,129	(67.3%)
Retirement	16,210,291	17,649,517	19,646,941	11.3%	20,837,010	6.1%
Health Allocation	1,469,342	1,705,461	3,058,788	79.4%	3,208,679	4.9%
Medicare	502,440	437,766	513,571	17.3%	536,941	4.6%
Social Security	89,140	141,849	154,406	8.9%	162,051	5.0%
Other Benefits	1,066,456	1,121,368	1,247,116	11.2%	1,287,341	3.2%
Total Salary and Benefits	54,894,231	55,291,941	62,124,051	12.4%	63,426,400	2.1%
Non-Personnel						
Materials/Services/Supplies	1,924,882	1,849,887	1,811,017	(2.1%)	1,711,186	(5.5%)
Interfund Services	5,134,023	5,740,639	5,796,941	1.0%	5,928,613	2.3%
Capital Outlay	26,931	0	0	N/A	37,000	N/A
Other Expenditures	0	0	0	N/A	0	N/A
Transfers to Other Funds	814,310	0	0	N/A	0	N/A
Total Non-Personnel	7,900,146	7,590,526	7,607,958	0.2%	7,676,799	0.9%
Total by Category	62,794,377	62,882,467	69,732,009	10.9%	71,103,199	2.0%

⁸Fire Development Services is a new fund effective FY 2023/24



Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed*	FY 2023/24 Change	FY 2024/25 Proposed*
Positions by Division / Program					
Administration Division					
7811 Administration	7.50	5.50	8.50	3.00	8.50
Total Administration Division	7.50	5.50	8.50	3.00	8.50
Field Operations Division					
7822 Field Operations	120.00	120.00	138.00	18.00	138.00
Total Field Operations Division	120.00	120.00	138.00	18.00	138.00
Community Risk Reduction Division					
7831 Administration, Investigation and Education ¹	0.00	0.00	3.00	3.00	3.00
7832 Prevention and Hazardous Materials ²	14.00	16.00	0.00	(16.00)	0.00
7833 Certified United Program Agency (CUPA) ³	6.00	6.00	0.00	(6.00)	0.00
7834 Development Services ⁴	0.00	0.00	8.06	8.06	8.06
7835 Non-Development Services ⁵	0.00	0.00	5.21	5.21	5.21
7836 Development CUPA ⁶	0.00	0.00	0.98	0.98	0.98
7837 Non-Development CUPA ⁷	0.00	0.00	3.75	3.75	3.75
Total Community Risk Reduction Division	20.00	22.00	21.00	(1.00)	21.00
Training Division					
7841 Training - Fire	4.00	5.00	3.00	(2.00)	3.00
Total Training Division	4.00	5.00	3.00	(2.00)	3.00
Office of Emergency Services Division					
7871 Office of Emergency Services	1.00	1.00	1.00	0.00	1.00
Total Office of Emergency Services Division	1.00	1.00	1.00	0.00	1.00
Emergency Medical Services Division					
7861 Emergency Medical Services	2.00	2.00	2.00	0.00	2.00
Total Emergency Medical Services Division	2.00	2.00	2.00	0.00	2.00
Total by Division / Program	154.50	155.50	173.50	18.00	173.50

¹Administration, Investigation and Education is a new program effective FY 2023/24

²Prevention and Hazardous Materials is an inactive program effective FY 2023/24

³Certified United Program Agency (CUPA) is an inactive program effective FY 2023/24

⁴Development Services is a new program effective FY 2023/24

⁵Non-Development Services is a new program effective FY 2023/24

⁶Development CUPA is a new program effective FY 2023/24

⁷Non-Development CUPA is a new program effective FY 2023/24

Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed*	FY 2023/24 Change	FY 2024/25 Proposed*
Positions by Fund					
General Fund	153.50	153.50	146.46	(7.04)	146.46
Fire Development Services Fund ⁸	0.00	0.00	9.04	9.04	9.04
Fire Operating Grant Trust Fund	0.00	0.00	18.00	18.00	18.00
Related Santa Clara Developer Fund	1.00	2.00	0.00	(2.00)	0.00
Total by Fund	154.50	155.50	173.50	18.00	173.50
Position Classification					
Assistant Fire Marshal	1.00	1.00	1.00	0.00	1.00
Battalion Chief	3.00	3.00	3.00	0.00	3.00
Battalion Chief 24 Hrs	3.00	3.00	3.00	0.00	3.00
Deputy Fire Chief	2.00	2.00	2.00	0.00	2.00
Deputy Fire Marshal	4.00	5.00	4.00	(1.00)	4.00
Deputy Fire Marshal Haz Mats	5.00	5.00	5.00	0.00	5.00
Driver Engineer	40.00	40.00	40.00	0.00	40.00
Fire Application Data Analyst	1.00	1.00	1.00	0.00	1.00
Fire Captain	35.00	35.00	35.00	0.00	35.00
Fire Chief	1.00	1.00	1.00	0.00	1.00
Fire Marshal	1.00	1.00	1.00	0.00	1.00
Fire Plan Draftsperson	1.00	1.00	1.00	0.00	1.00
Fire Prevention Specialist I	2.00	2.00	2.00	0.00	2.00
Fire Prevention Specialist II	2.00	2.00	2.00	0.00	2.00
Fire Protection Engineer	2.00	2.00	2.00	0.00	2.00
Firefighter I/II	42.00	42.00	60.00	18.00	60.00
Management Analyst	0.00	1.00	2.00	1.00	2.00
Office Assistant	0.50	0.50	0.50	0.00	0.50
Office Specialist II	4.00	4.00	4.00	0.00	4.00
Office Specialist IV	1.00	0.00	0.00	0.00	0.00
Permit Technician	0.00	0.00	1.00	1.00	1.00
Staff Aide I	3.00	3.00	2.00	(1.00)	2.00
Staff Analyst I	1.00	1.00	1.00	0.00	1.00
Total Positions	154.50	155.50	173.50	18.00	173.50

*The positions above represent all funded positions. This excludes the 2.0 FTEs that were originally funded by Related but are frozen beginning FY 2023/24 based on discussions with Related: 1.0 Deputy Fire Marshal II and 1.0 Fire Protection Engineer.

⁸Fire Development Services is a new fund effective FY 2023/24.



Budget Reconciliation

	Positions	Expenditures (All Funds)
Prior Year Budget	155.50	62,882,467
FY 2023/24 Base Budget Adjustments		
One-Time Cost Adjustments		
Rebudget: Community Risk Reduction Division Contractual Services		(150,000)
Interra Software		(45,000)
Rebudget: Assistance to Firefighter Supplemental Grant and City Match		(36,019)
Ongoing Cost Adjustments		
Salary and benefit adjustments		4,220,633
Staff Aide Reclass to Management Analyst		
Unfreeze of 12.0 positions and add 6.0 positions for the SAFER grant (Report to Council 23-170, February 7, 2023)	18.00	4,006,904
18.0 Firefighters		
Overtime base increase		710,243
Add 2.0 positions for the Community Risk Reduction Division (Report to Council 22-1145, September 27, 2022)	2.00	393,148
1.0 Fire Protection Engineer		
1.0 Permit Technician		
Freeze of 2.0 positions for the Related Santa Clara project:	(2.00)	(618,818)
1.0 Deputy Fire Marshal II		
1.0 Fire Protection Engineer		
Net increase in various interfund services allocations		56,302
Net increase in materials, services and supplies		46,953
EMT and Paramedic Licensing Fees and Recruitment Operating Supplies (bi- annually)		(75,804)
Total Base Budget Adjustments	18.00	8,508,542
Total FY 2023/24 Base Budget	173.50	71,391,009
Service Level Changes		
SAFER Grant Implementation and Overtime Reduction		(1,659,000)
Total Service Level Changes	0.00	(1,659,000)
Total FY 2023/24 Proposed Budget	173.50	69,732,009



Budget Reconciliation

	Positions	Expenditures (All Funds)
FY 2024/25 Base Budget Adjustments		
One-Time Cost Adjustments		
Emergency response technology equipment update		37,000
Ongoing Cost Adjustments		
Salary and benefit adjustments		3,250,349
Net increase in various interfund services allocations		131,672
Net increase for Fire Station Maintenance		3,157
EMT and Paramedic Licensing Fees and Recruitment Operating Supplies (bi-annually)		77,320
Net increase in materials, services and supplies		34,692
Total FY 2024/25 Base Adjustments	0.00	3,534,190
FY 2024/25 Base Budget	173.50	73,266,199
Service Level Changes		
SAFER Grant Implementation and Overtime Reduction		(2,163,000)
Total Service Level Changes	0.00	(2,163,000)
Total FY 2024/25 Proposed Budget	173.50	71,103,199



Service Level Changes

		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
SAFER Grant Implementation and Overtime Reduction	0.00	(1,659,000)	0	(3,822,000)	0

Program: 7822 – Field Operations

This proposal reflects changes associated with the Staffing for Adequate Fire and Emergency Response (SAFER) grant, a three-year \$11.3 million grant. The grant will partially fund 18 firefighter positions, which includes unfreezing 12 positions and adding 6 new positions as approved by the City Council on February 7, 2023 (RTC 23-170), with the remaining position costs covered by the General Fund (\$626,000 in FY 2023/24 and \$770,000 in FY 2024/25). The positions will provide additional relief to help maintain daily minimum staffing of emergency response apparatus and reduce overtime due to absences caused by vacation, sick and disability leaves. The \$1.66 million net reduction in FY 2023/24 includes a \$1.88 million overtime budget reduction to reflect six months of overtime savings after the firefighter positions are fully onboarded and a one-time increase of \$221,000 in the materials, services and supplies budget for Fire Academy and other onboarding costs. The \$3.82 million net reduction in FY 2024/25 includes a \$3.84 overtime budget reduction to reflect a full year of overtime savings and a one-time budget increase of \$15,000 for training and certification costs.

Performance Impact

The additional staffing will provide the personnel needed to maintain the current daily staffing for emergency response throughout the City, while also reducing the number of personnel on overtime each day. In turn, the reduction in overtime to meet minimum daily staffing is expected to decrease the number of absences caused by sick and disability leaves for Field Operations personnel. The additional firefighters will also provide the opportunity to improve the department's overall emergency response by evaluating staffing models that will improve compliance with NFPA 1710 staffing standards.







Strategic Pillar:



Manage Strategically Our Workforce Capacity and Resources



Performance and Workload Measures

Field Operations Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Response time of first in unit in 90% of all Code 3 emergency calls ¹		4:36 min	5:39 min	6:00 min	04:50 min	6:00 min	6:00 min
Response time of Effective Response Force (ERF) ¹ of 17 personnel to a first alarm structure fire in 90% of emergency calls ²		08:09 min	10:33 min	10:00 min	09:14 min	10:00 min	10:00 min
Percentage of fires contained to room of origin		86%	63%	75%	63%	75%	75%
Workload Measures							
Fire and life safety inspections for regular businesses completed by Field Operations Division		229	2,763	4,000	2,500	2,800	2,900
Number of calls for service		8,853	9,603	9,000	10,698	9,000	9,000
Number of hours contributed by the Volunteer/Reserve Program		2,500	5,000	5,000	2,500	5,000	5,000










¹ Code 3: Immediate response using red lights and siren; Code 2: No red lights or siren—expedited response adhering to all regular traffic laws.

² The Effective Response Force for first alarm assignment to a structure fire is the number of firefighters, apparatus, and response times needed to perform the required critical tasks.

Note: Performance and Workload Measure data are based on calendar year.










Performance and Workload Measures

Emergency Medical Services Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Response time in 90% of all advanced life support (ALS) calls with at least one Paramedic arriving on scene		5:17 min	05:51 min	7:59 min	05:29 min	7:59 min	7:59 min
Number of City employees trained in Cardiopulmonary Resuscitation/Automated External Defibrillator (CPR/AED) or BLS Provider		237	84	320	298	120	320
Number of Emergency Medical Services (EMS) training hours		3,872	3,718	6,100	2,611	3,500	3,500
Community Risk Reduction Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Fire-life safety and hazardous materials business inspections with no statutory requirements completed by Community Risk Reduction Division – <i>Modified for FY 2023/24</i>		2,108	3,434	3,000	2,108	1,300	1,300
Educational and Residential occupancy inspections completed within statutory requirements – <i>Modified for FY 2023/24</i>		2,087	1,918	1,310	1,200	1,200	1,200
Plan reviews completed by Division		1,949	2,469	1,900	2,069	2,069	2,069
Hazardous materials business plan (HMBP) inspections completed within statutory requirements		283	216	300	250	300	300
Underground Storage Tank (UST) inspection completed within statutory requirements		71	63	65	63	63	63
Aboveground petroleum storage tank (APSA) inspections completed within statutory requirements		50	25	40	40	40	40

Note: Performance and Workload Measure data are based on calendar year.



Performance and Workload Measures



Community Risk Reduction Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
California accidental release prevention (Cal-ARP) inspections completed within statutory requirements		4	1	1	1	1	1
Number of attendees of public education events requirements – Modified for FY 2023/24		223	N/A	1,500	6,000	7,500	8,000
Training Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Number of fire prevention training hours		112	524	800	1280	800	800
Number of hazardous materials training hours		2,179	536	1,200	1,523	1,200	1,200
Total department training hours for Suppression personnel		23,585	25,378	20,000	22,368	20,000	20,000
Administrative Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Customer satisfaction rating based on survey results (%) by calendar year		99%	99%	95%	99%	95%	95%
Workload Measures							
Number of Public Records Act requests processed within mandated timeframe ²		N/A	N/A	95%	95%	95%	95%

² This workload measure is inclusive of all divisions.

Note: Performance and Workload Measure data are based on calendar year.



Performance and Workload Measures

Office of Emergency Services Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Emergency Operations Center number of activations per calendar year (includes drills and exercises)		13	13	15	13	14	14
Emergency Operations Center training sessions/planning meetings		33	22	30	14	30	30

Note: Performance and Workload Measure data are based on calendar year.

Human Resources Department

This page is intentionally left blank.

Human Resources Department Description

The Human Resources (HR) Department is responsible for several areas: Benefits, Recruitment, Classification and Compensation, Employee and Labor Relations, Equal Employment Opportunity, Workers Compensation/Safety, and Employee Development.

The Department manages a variety of employee benefits, including health, dental, vision and retirement benefit programs, life insurance, Flexible Spending Accounts, VEBA, Retiree Medical Reimbursement Program, and a City Employee Assistance Program. The Department is also responsible for providing state-mandated benefits for employees injured on the job.

HR integrates job analyses into the selection process for each vacant position to ensure the accuracy of job specifications and the validity of examinations. Considerable time, labor, and expense are involved with each recruitment, especially for public safety positions where the process includes large pools of applicants, written exams, performance exams, and oral exams in addition to polygraph, psychological, comprehensive medical exams, and background investigations.

The Director of Human Resources (HR) is delegated as the Municipal Employee Relations Officer (MERO). The Employee Relations function is a direct function of the City Manager's Office that is delegated to the Director of HR. Employee Relations includes negotiating with Bargaining Units and Labor Unions to negotiate successor Memoranda of Understanding (MOU's) for each of the 10 specific represented groups, as well as receiving and reviewing grievances filed by employees or unions.

The City's Equal Employment Opportunity (EEO) Officer is responsible for oversight of equal employment opportunity laws. The EEO Officer reviews, investigates and/or oversees investigations of complaints filed by applicants or employees alleging discrimination or hostile work environment, including sexual harassment. The City has zero tolerance policy on discrimination and harassment. HR will continue to investigate and resolve grievances and discrimination complaints in accordance with federal and State laws, City policies, and in close coordination with the City Attorney's Office.

The City strives to work on best practices related to safety, including proper ergonomics. We encourage all departments to invest in their staff, specifically related to occupational safety.

HR provides State-mandated harassment prevention training for all regular City employees and offers training programs in areas such as supervision, employment law, and other areas of interest.

Divisions and Services

The Human Resources Department is organized into two Divisions: 1) Employee Benefits and Records and 2) Recruitment, Classification, and Staff Development.



Employee Benefits and Records Division Mission	Provide quality service to employees and retirees in the responsible, cost efficient development and administration of City compensation, benefits, and related programs.
Division Objectives	Administer current Memoranda of Understanding (MOU) with the City's ten bargaining groups. Represent the City in various labor relation issues and negotiate, in collaboration with internal and external counsel, on wages, hours, and other terms and conditions of employment.
	Administer benefits for City employees.
	Manage employee relations matters for the City; advise and assist departments with grievance resolution and disciplinary action.
	Strive to ensure equal employment opportunity and provide a work environment free of discrimination and harassment.
	Manage benefit programs for employees, retiree medical reimbursement programs, and process retirements.
Recruitment, Classification, and Staff Development Division Mission	Provide centralized hiring services by developing and administering City recruitment and selection processes; administer and update the City's Classification Plan; and promote the advancement of ethical and sound human resources policies and practices in accordance with Civil Service Rules and Regulations, federal and State guidelines and industry standards.
	Develop and implement valid selection examinations designed to select and promote the most qualified candidates.
Division Objectives	Ensure that positions are properly classified, described, and aligned to support the organizations' effectiveness and efficiency.
	Manage recruitment, assessment, and hiring processes to meet the City's staffing needs. Review, streamline, and update human resources policies and procedures to improve efficiency and reflect current employment laws and industry best practices.
	Make available to the public and employees employment information such as job opportunity announcements, job descriptions and salary and benefit data.
	Provide training and development for employees City-wide to develop essential skills like analysis and reporting, leadership, customer service, and public presentations.
Division Objectives	Provide coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.

Significant Accomplishments

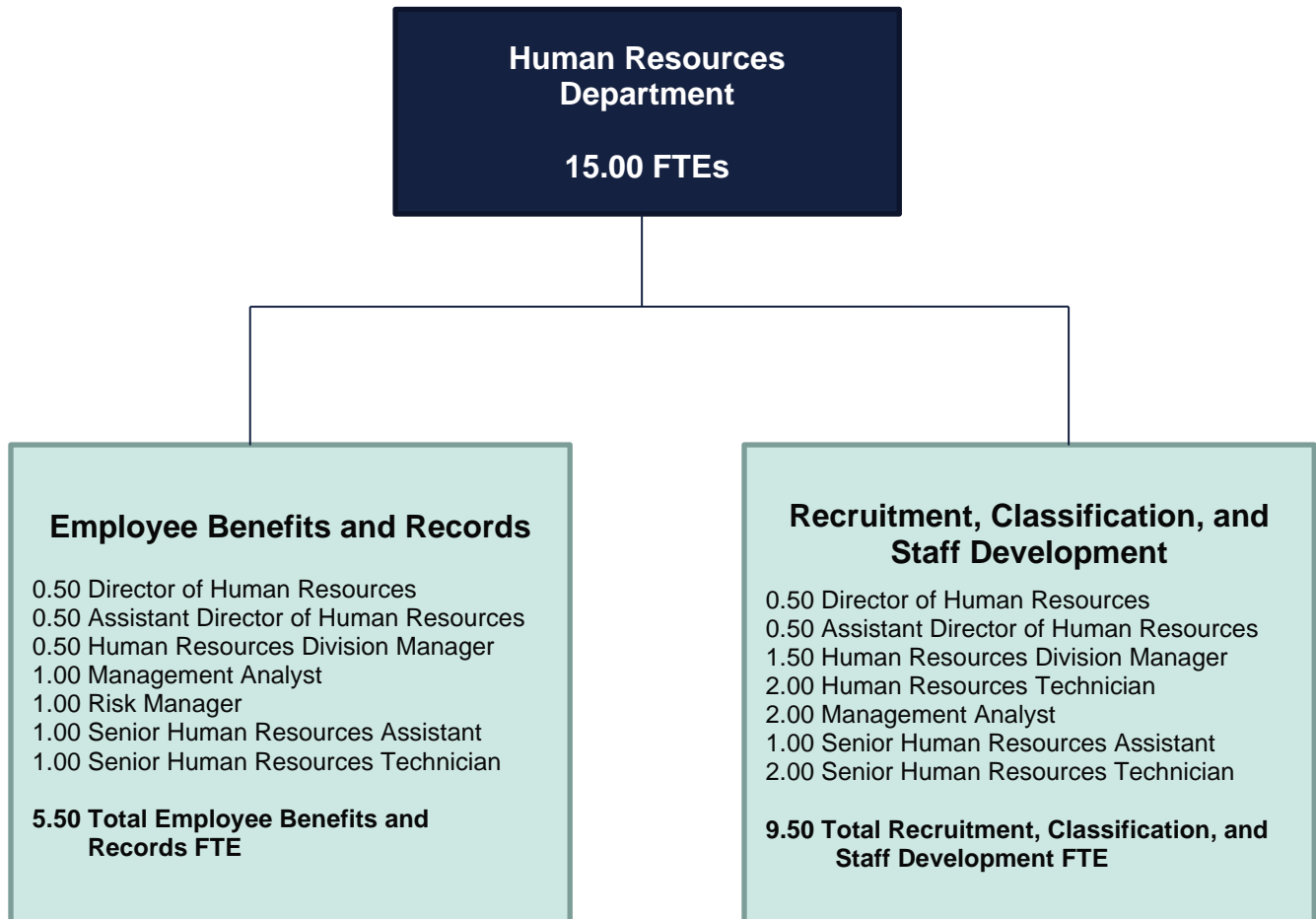
- Due to the COVID-19 pandemic, the Human Resources Department continued to promptly develop and implement various programs and policies including, but not limited to, COVID-19 safety training; leaves mandated by State and federal laws; FAQs; COVID-19 Prevention Program; management of all COVID-19 employee-related matters and cases, including mandated reporting requirements; and city-wide safety protocol measures in compliance with State and local orders. The HR Department was also the primary distributor of Personal Protective Equipment (PPE) to City Departments and staff.
- Created and converted Human Resources forms to fillable forms for efficiency.
- Transitioned from paper-copy to electronic employee personnel and benefits records, including moving to electronic submission of documents for the annual Benefits Open Enrollment, utilizing the City's Laserfische system.
- Since 2022, reached successor Memoranda of Understanding agreements with seven of the City's bargaining units, including side letter agreements with two bargaining units.
- Implemented a learning and training management system, Vector Solutions, which offers many courses of various topics, for employees city-wide.
- Provided supervisory and non-supervisory harassment/discrimination online mandated training.
- Supported approximately 1,625 regular and as-needed employees in regard to benefits, wage adjustments, workers' compensation, leaves and retirements.
- Performed full-cycle recruitment, including classification studies, and appointed/promoted 115 regular employees during the last two fiscal years.

Significant Objectives

- Conduct recruitments and manage effective, efficient, and defensible hiring processes to attract and retain qualified employees.
- Continue negotiations with Bargaining Units.
- Develop additional supervisory training opportunities for current employees.
- Maintain the Sexual Harassment Prevention State Mandated training for all City employees, including the training of Elected Officials and City Commission and Committee members.
- Work closely with the Finance Department to analyze and implement best practices in implementation, control, and audit of pay and benefit entries.
- Review and update various citywide policies, including the Employer-Employee Relations Resolution, the Personnel and Salary Resolution, and various City Manager Directives and coordinate these updated policies with each bargaining unit for implementation.

Budget Highlights

- The Proposed Budget includes the following budget reductions to help address the General Fund shortfall:
 - Eliminate 1.0 Office Specialist IV position in the Employee Records and Benefits Division
 - Freeze the City of Santa Clara Leadership Program for two-years
 - Eliminate non-personnel funding for Police pre-employment testing (funding is included in the Police Department budget)





Budget Summary

		FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program							
Employee Benefits and Records Division							
2514	Records – Compensation	1,158,739	889,463	773,975	(13.0%)	839,895	8.5%
2515	HR Workers' Compensation and Safety	742,557	801,840	734,171	(8.4%)	767,162	4.5%
Total Employee Benefits and Records Division		1,901,296	1,691,303	1,508,146	(10.8%)	1,607,057	6.6%
Recruitment, Classification, and Staff Development Division							
2521	Selection – Classification	1,064,839	1,663,222	1,516,692	(8.8%)	1,596,551	5.3%
2525	Recruitment, Staff Development and Labor Relations	840,892	1,154,185	1,183,252	2.5%	1,235,720	4.4%
Total Recruitment, Classification, and Staff Development Division		1,905,731	2,817,407	2,699,944	(4.2%)	2,832,271	4.9%
Total by Division / Program		3,807,027	4,508,710	4,208,090	(6.7%)	4,439,328	5.5%
		FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Fund							
General Fund		3,789,429	4,508,710	4,208,090	(6.7%)	4,439,328	5.5%
Exendable Trust Fund		17,598	0	0	0.0%	0	0.0%
Total by Fund		3,807,027	4,508,710	4,208,090	(6.7%)	4,439,328	5.5%
Dollars by Category							
Salary and Benefits							
Salary		1,869,268	1,921,117	2,018,827	5.1%	2,134,105	5.7%
As-Needed		6,193	37,493	38,805	3.5%	40,163	3.5%
Overtime		125	0	0	N/A	0	N/A
Retirement		685,128	795,744	741,077	(6.9%)	787,456	6.3%
Health Allocations		164,758	182,714	234,306	28.2%	244,070	4.2%
Medicare		28,341	30,752	31,989	4.0%	33,728	5.4%
Social Security		100,895	106,584	116,767	9.6%	120,853	3.5%
Other Benefits		94,609	101,591	107,749	6.1%	111,652	3.6%
Total Salary and Benefits		2,949,317	3,175,995	3,289,520	3.6%	3,472,027	5.5%



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Category						
Non-Personnel						
Materials/Services/Supplies	414,852	865,009	768,027	(11.2%)	818,344	6.6%
Interfund Services	442,858	467,706	150,543	(67.8%)	148,957	(1.1%)
Total Non-Personnel	857,710	1,332,715	918,570	(31.1%)	967,301	5.3%
Total by Category	3,807,027	4,508,710	4,208,090	(6.7%)	4,439,328	5.5%



Position Summary

		FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Division / Program						
Employee Benefits and Records Division						
2514	Records – Compensation	2.75	2.75	2.50	(0.25)	2.50
2515	HR Workers' Compensation and Safety	3.25	3.25	3.00	(0.25)	3.00
Total Employee Benefits and Records Division		6.00	6.00	5.50	(0.50)	5.50
Recruitment, Classification, and Staff Development Division						
2521	Selection – Classification	5.75	5.75	6.50	0.75	6.50
2525	Recruitment, Staff Development and Labor Relations	2.25	3.25	3.00	(0.25)	3.00
Total Recruitment, Classification, and Staff Development Division		8.00	9.00	9.50	0.50	9.50
Total by Division / Program		14.00	15.00	15.00	0.00	15.00

		FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Fund						
General Fund		14.00	15.00	15.00	0.00	15.00
Total by Fund		14.00	15.00	15.00	0.00	15.00

Position Classification						
Assistant Director of Human Resources		1.00	1.00	1.00	0.00	1.00
Director of Human Resources		1.00	1.00	1.00	0.00	1.00
Human Resources Division Manager		1.00	1.00	2.00	1.00	2.00
Risk Manager		1.00	1.00	1.00	0.00	1.00
Human Resources Technician		1.00	2.00	2.00	0.00	2.00
Management Analyst		3.00	2.00	3.00	1.00	3.00
Office Specialist IV		1.00	1.00	0.00	(1.00)	0.00
Senior Human Resources Assistant		2.00	2.00	2.00	0.00	2.00
Senior Human Resources Technician		3.00	3.00	3.00	0.00	3.00
Senior Management Analyst		0.00	1.00	0.00	(1.00)	0.00
Total Positions		14.00	15.00	15.00	0.00	15.00



Budget Reconciliation

	Positions	Expenditures (All Funds)
Prior Year Budget	15.00	4,508,710
FY 2023/24 Base Budget Adjustments		
One-Time Cost Adjustments		
Employee Survey (Every Two Years)		(35,000)
Ongoing Cost Adjustments		
Salary and Benefits adjustments		98,371
- Reclassify Human Resources Technician to Management Analyst		
- Reclassify Senior Management Analyst to Human Resources Division Manager		
Addition of 1.0 Human Resources Technician (Report to Council 22-1145, approved on September 27, 2022, funded by SVP)	1.00	151,171
Net change in various interfund services allocations		(317,163)
Net change in non-personnel costs		16,563
Total FY 2023/24 Base Budget Adjustments	1.00	(86,058)
Total FY 2023/24 Base Budget	16.00	4,422,652
Service Level Changes		
Eliminate 1.0 Vacant Office Specialist IV	(1.00)	(136,017)
Freeze City of Santa Clara Leadership Academy for Two Years		(40,545)
Eliminate Background Examination Funding		(38,000)
Total Service Level Changes	(1.00)	(214,562)
Total FY 2023/24 Proposed Budget	15.00	4,208,090



Budget Reconciliation

	Positions	Expenditures (All Funds)
FY 2024/25 Base Budget Adjustments		
One-Time Cost Adjustments		
Employee Survey (Every Two Years)		35,000
Ongoing Cost Adjustments		
Salary and benefits adjustments		191,733
Net change in various interfund services allocations		(1,586)
Non-personnel adjustments		16,888
Total FY 2024/25 Base Budget Adjustments		242,035
Total FY 2024/25 Base Budget	15.00	4,450,125
Service Level Changes		
Eliminate 1.0 Vacant Office Specialist IV		(9,226)
Freeze City of Santa Clara Leadership Academy for Two Years		(811)
Eliminate Background Examination Funding		(760)
Total Service Level Changes		(10,797)
Total FY 2024/25 Proposed Budget	15.00	4,439,328



Service Level Changes

		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Eliminate 1.0 Vacant Office Specialist IV	(1.00)	0	(136,017)	0	(145,243)

Program: 2514 – Records and Compensation

This action eliminates 1.0 vacant Office Specialist IV position in the Records and Compensation program. This position is primarily responsible for providing general office and administrative support, along with coordination of the Civil Service Commission and Salary Setting Commission.

Performance Impact

The general office and administrative support workload would be absorbed by other staff. The day-to-day office and clerical duties have been absorbed by all the existing staff. Staff has been cross trained on the various duties that have been reassigned. The support for the two Commissions is absorbed by Senior Human Resources Technicians and Human Resources Technicians on a rotational schedule, who have been cross trained to support coordination of both Commissions.

Strategic Pillar:



Manage Strategically Our Workforce Capacity and Resources

Service Level Changes

		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Freeze City of Santa Clara Leadership Academy for Two Years		(40,545)	0	(41,356)	0

Program: 2521 – Selection and Classification

Leadership Santa Clara is a four-month program that is available to City of Santa Clara residents and managed by the City of Santa Clara. The City holds an application period, in which primarily residents (35-50) and City employees (2-4) may apply and be selected to participate in the program. The focus of the program is preparing residents for leadership roles in the community. Topics include the following: Santa Clara's Past, Present and Future; Governance (federal, state, and local including City board and commissions); Public Services; Media's Impact on Silicon Valley; Business Climate; Transportation; Arts & Culture; Community Diversity; Environment; Health Care; Human/Community Services; and Volunteerism.

Due to the COVID-19 pandemic, this program was frozen in FY 2021/22 and FY 2022/23. Given the City's fiscal situation, this proposal continues to freeze the program for FY 2023/24 and FY 2024/25.

Performance Impact

There is no impact, as this program has been suspended for the last two fiscal years.

Strategic Pillar:  Manage Strategically Our Workforce Capacity and Resources

		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Eliminate Background Examination Funding		0	(38,000)	0	(38,760)

Program: 2521 – Selection and Classification

This action eliminates non-personnel funding of \$38,000 for Police background examinations. Candidates that move forward in the recruitment process and receive a conditional offer of employment are required to complete several examinations. The cost of these exams will be shifted to the Police Department, as they handle the background process. This is consistent with the Fire Department. The Human Resources Department separately pays for the cost of fingerprinting.












Performance Impact

There is no impact anticipated as a result of this reduction.











Strategic Pillar:  Manage Strategically Our Workforce Capacity and Resources



Performance and Workload Measures

Employee Benefits and Records Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percent of employee benefits and compensation transactions processed accurately and timely – <i>Delete for FY 2023/24</i>		99%	N/A	100%	N/A	N/A	N/A
Percent of separation and retirement payoff calculations completed according to policy and within final pay period – <i>Delete for FY 2023/24</i>		100%	N/A	100%	N/A	N/A	N/A
Percent of new hires processed for pay and benefits in time for their first paycheck – <i>Delete for FY 2023/24</i>		100%	N/A	100%	N/A	N/A	N/A
Percent of Workers' Compensation claims processed within five business days of receipt in Human Resources Department		100%	100%	100%	100%	100%	100%
Percent of work hours lost as a result of industrial injuries and illnesses		1.12%	0.76%	2.00%	1.50%	2.00%	2.00%
Enhanced risk management practices resulting in reduction to citywide claim losses (% reduction) – <i>previously in Non-Departmental</i>		-46%	N/A	4%	N/A	4%	4%
Percent of City-sponsored training classes rated very good or above by attendees – <i>Delete for FY 2023/24</i>		N/A	N/A	100%	N/A	N/A	N/A
Percentage of Regular Employees enrolled in Deferred Compensation – <i>New for FY 2023/24</i>		73%	72%	N/A	75%	75%	75%
Workload Measures							
Number of Personnel Transactions processed in the HRIS – <i>New for FY 2023/24</i>		1572	1994	N/A	2500	2500	2500
Number of Healthcare Transactions processed in the HRIS – <i>New for FY 2023/24</i>		984	1653	N/A	1400	1400	1400
Enhanced risk management practices resulting in reduction to citywide claim losses (number of claims) – <i>previously in Non-Departmental</i>		114	N/A	75	N/A	75	75

Performance and Workload Measures

Recruitment, Classification, and Staff Development Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Average employee turnover rate		8.18%	10.41%	6.0%	10.0%	10.0%	10.0%
Percent of recruitments completed within established timelines – <i>Delete for FY 2023/24</i>		100%	N/A	100%	N/A	N/A	N/A
Percent of recruitments for which a job analysis is completed – <i>Delete for FY 2023/24</i>		100%	N/A	95%	N/A	N/A	N/A
Percent of employees attending City required training classes		95%	91%	100%	95%	100%	100%
Vacancy Rate at End of Fiscal Year – <i>New for FY 2023/24</i>		13.27%	14.20%	10%	15.00%	10%	10%
Workload Measures							
Number of successor MOUs finalized after City Council Approval – <i>Modified for FY 2023/24</i>		5	5	2	2	2	6
Number of formal disciplinary actions received – <i>New for FY 2023/24</i>		4	3	N/A	5	5	5
Number of classification/compensation projects completed– <i>New for FY 2023/24</i>		10	16	N/A	20	20	20
Number of trainings offered through the Human Resources Department – <i>New for FY 2023/24</i>		13	39	N/A	50	50	50
Number of Regular and As-Needed Hires, Promotions and Transfers Completed Annually – <i>New for FY 2023/24</i>							
Full-Time							
- New Hires/Rehires		38	110	N/A	90	90	90
- Promotions		47	103	N/A	80	80	80
- Transfers		1	4	N/A	2	N/A	N/A
As-Needed							
- New Hires/Rehires		119	215	N/A	175	175	175

This page is intentionally left blank.

Information Technology Department

This page is intentionally left blank.



Information Technology Department Description

The Information Technology Department (ITD) strives to provide superb affordable services and be the partner of choice for City information technology initiatives to improve the quality of life and strengthen the community through technology and innovation.

The award-winning ITD provides a full range of IT services through its Enterprise Services, Infrastructure and Support, Telecommunication Services and Contract Services Divisions, providing help desk, desk side support, data center and network management, cybersecurity, application consulting and support, training, technology project/program management and Geographic Information Service (GIS) capabilities.

Focus areas include:

- Improve government services - efficient, effective, & transparent
- Enable self-service - anytime, anywhere, access to government digital citizen centric services, customer request management
- Enhance citizen engagement and community participation
- Assist City departments with their IT business requirements in support of delivering city services
- Maintain Project and Portfolio Management practices to ensure successful implementation of technology projects
- Maintain and strengthen the City's enterprise-wide technology infrastructure in support of City departments
- Protect and strengthen the City network and information security capabilities
- Cybersecurity risk mitigation & compliance
- Manage IT vendors to control costs, drive service excellence, and mitigate risks to gain increased value throughout the product lifecycle

Divisions and Services

The IT Department is organized into four Divisions: Enterprise Services; Infrastructure and Support; Contract Services; and Telecommunication Services.



Enterprise Services Division Mission

To plan and implement applications leveraging technology to enhance citywide and departmental capabilities. Maintain a high availability digital presence providing relevant information and quality on-line services to the residents and businesses of Santa Clara. Empower City employees to effectively serve the public using digital technologies.

Division Objectives

Provide application support for mission and business critical departmental applications. Manage business process improvements and vendor compliance updates. Maintain an Application Portfolio Management System and Enterprise Roadmap to provide for better planning. Work with department business owners to rationalize and modernize the current applications in line with City goals and objectives, plan for enhancements and upgrades to provide greater functionality and business value for city applications.

Manage the City's websites, providing timely updates to citizens through the use of the City's expanding digital presence. Ensure equal access to the City website for people with disabilities by providing websites that comply with accessibility requirements.

Provide enhanced support for business applications used within the City driven by a Structured Project Methodology and Project Management Office.

Through GIS data, provide trustworthy operational information, organized by location, and delivered in a timely manner to decision-makers for both tactical and strategic planning efficiency.

Infrastructure and Support Division Mission

Provide a reliable and secure citywide computing infrastructure to enable departments to accomplish business goals and provide City services and information to the community.

Division Objectives

Provide services to ensure the reliability, continuity, and sustainability of network, server, storage, and desktop systems.

Maintain, support, and enhance the City's enterprise-wide technology infrastructure in support of City departments.

Enable business continuity and delivery of essential services through remote workplace capabilities

Ensure security and strengthen the reliability of the internal City systems and network.



**Contract Services
Division Mission**

To provide superb professional, responsive, and cost-effective information technology services to the City.

Manage the City technology contracts to ensure the adherence to scope and deliverables.

Division Objectives

Implement information technology best practices and drive operational and continuous improvements with our technology providers.

Provide governance and oversight for the City technology vendors to ensure performance meets/exceeds contractual obligations. Ensure remediation plans are developed and adhered to as needed.

**Telecommunication
Services
Division Mission**

Provide support for general communications services for City staff, including telephony services, mobile, wireless communications, and cable services.

Provide and maintain high quality telephony and mobile services to all City staff and departments. Assist in the planning and implementation of telecommunications services at City facilities.

Division Objectives

Review and process billing for all telecommunication services.

Provide cable franchise oversight and monitoring.

Significant Accomplishments

- The City has a robust application portfolio of 160 line-of-business applications that are core to City operations and delivering services to the public. The Department implemented, upgraded, or replaced approximately 20 applications in 2022.
- Supported the Finance Department to transition the City's general banking to JPMorgan Chase.
- Implemented asset management for Storm Drain, Traffic Signs and Trees to improve reliability of assets, regulatory compliance, and decision-making capabilities.
- Deployed a mobile application for the public for the 40th Anniversary of the Santa Clara Art & Wine Festival.
- Deployed Speak Up Santa Clara enabling employees to report incidents about workplace issues.
- Continued expansion of the Document Management System and digitization of City records.
- Improved City Website Search functionality.
- Upgraded the VOIP telephone system for enhanced security and cost savings.
- Replaced the end-of-life Field Collection system (Utility Meter Reading) resulting in saving staff time, ease of access and flexibility.
- Enhanced Audio/Visual capabilities throughout the City for improved citizen engagement and collaboration.
- Enterprise GIS accomplishments include:
 - Overhaul of the Enterprise GIS Infrastructure.
 - City of Santa Clara's streets tree inventory mapping close to 18,000 trees.
 - Integration with Enterprise Asset Management for traffic signs, city trees and storm drains.
 - Mapping of recent Parks & Recreation facilities added to the City.
- Improved the maturity of the City's cybersecurity posture, safeguarding resident and City sensitive data.

Significant Objectives

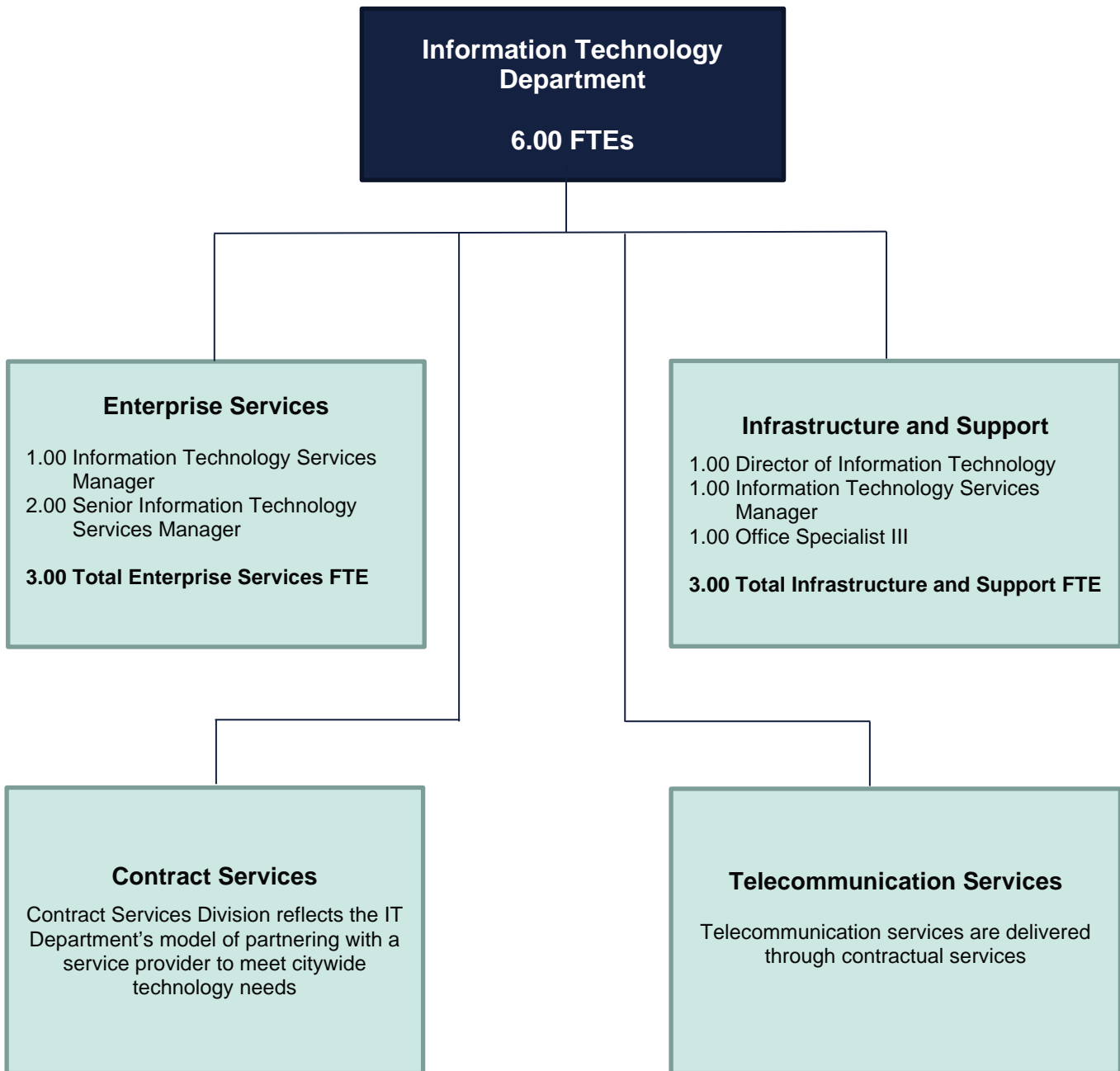
- Application Modernization: Support citywide and departmental business process transformation, system replacements and upgrades – Utility Billing Customer Self Service Portal, Utility Billing Customer Information System, Records Management, Financials and HR Management System, Work Order Management.
- Implementation of updated Business License Tax system.
- Public Safety Dispatchers rely on the fire station alerting system to notify and alert fire stations. This project replaces a 20-year-old system that is end-of-life.
- Improve search experience on City websites.
- Enterprise GIS: work plan for the year includes projects to further citizen engagement, decision making, and effective infrastructure information lifecycle management. An integration with the sewer video inspection system is underway, an update of the Water & Sewer Block books as well as plans to update Parks & Recreation assets to bring them current and make parcel information available on InfoMap on the City website.
- Improve collaboration capabilities by leveraging technologies such as the Microsoft 365 platform to enable anytime, anywhere access to City systems and resources.
- Technology Infrastructure: Architect and replace aging technology infrastructure in a strategic and phased manner in support of increased digital, mobile and cloud solutions for anytime, anywhere device access in a secure manner.



- Enhance technology capabilities in the City Parks and Recreation facilities for improved user experience.
- Cybersecurity and Risk Mitigation: Strengthen the City's cybersecurity posture by providing a proactive defense against threats via intrusion prevention/detection systems and security information and event management systems and response protocols.
- Enhance Audio/Visual capabilities throughout the City for improved Civic engagement, collaboration and staff productivity.

Budget Highlights

- Ongoing budget reductions to help address the General Fund shortfall:
 - IT Services contract reductions related to the Cost-of-Living Adjustment.
 - Reduction in utilities expense to reflect efficiencies gained through telephone upgrades.





Budget Summary

		FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program							
Contract Services Division							
1931	Contract Services	6,959,761	8,102,354	8,137,172	0.4%	8,268,397	1.6%
Total Contract Services Division		6,959,761	8,102,354	8,137,172	0.4%	8,268,397	1.6%
Enterprise Services Division							
1911	Application Services	584,114	566,620	937,685	65.5%	992,624	5.9%
1912	Web Services	145,276	260,682	266,099	2.1%	271,626	2.1%
1913	GIS Services	343,897	546,003	553,448	1.4%	564,849	2.1%
Total Enterprise Services Division		1,073,287	1,373,305	1,757,232	28.0%	1,829,099	4.1%
Infrastructure and Support Division							
1921	Infrastructure and Support	1,925,090	2,659,402	2,651,290	(0.3%)	2,286,201	(13.8%)
Total Infrastructure and Support Division		1,925,090	2,659,402	2,651,290	(0.3%)	2,286,201	(13.8%)
Telecommunication Services Division							
1941	IT Telecommunication Services	371,573	823,240	749,238	(9.0%)	773,247	3.2%
Total Telecommunication Services Division		371,573	823,240	749,238	(9.0%)	773,247	3.2%
Total by Division / Program		10,329,711	12,958,301	13,294,932	2.6%	13,156,944	(1.0%)



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Fund						
Information Technology Services Fund	10,294,656	12,758,301	13,094,932	2.6%	12,956,944	(1.1%)
Expendable Trust Fund	19,346	0	0	N/A	0	N/A
Other City Departments Operating Grant Trust Fund	511	0	0	N/A	0	N/A
Public, Educational, and Governmental (PEG) Fee Fund	15,198	200,000	200,000	0.0%	200,000	0.0%
Total by Fund	10,329,711	12,958,301	13,294,932	2.6%	13,156,944	(1.0%)
Dollars by Category						
Salary and Benefits						
Salary	1,153,925	965,899	1,197,503	24.0%	1,261,399	5.3%
As-Needed	182,318	238,230	246,726	3.6%	254,488	3.1%
Retirement	353,613	448,758	406,064	(9.5%)	428,921	5.6%
Health Allocation	73,125	76,961	102,335	33.0%	107,102	4.7%
Medicare	19,098	17,640	18,193	3.1%	19,129	5.1%
Social Security	52,247	49,248	56,516	14.8%	56,812	0.5%
Other Benefits	47,954	48,640	49,410	1.6%	50,901	3.0%
Total Salary and Benefits	1,882,280	1,845,376	2,076,747	12.5%	2,178,752	4.9%
Non-Personnel						
Materials/Services/Supplies	8,374,075	10,793,452	10,966,725	1.6%	10,726,677	(2.2%)
Interfund Services	57,199	69,473	1,460	(97.9%)	1,515	3.8%
Capital Outlay	16,157	250,000	250,000	0.0%	250,000	0.0%
Total Non-Personnel	8,447,431	11,112,925	11,218,185	0.9%	10,978,192	(2.1%)
Total by Category	10,329,711	12,958,301	13,294,932	2.6%	13,156,944	(1.0%)



Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Division / Program					
Contract Services Division					
1931 Contract Services	0.00	0.00	0.00	0.00	0.00
Total Contract Services Division	0.00	0.00	0.00	0.00	0.00
Enterprise Services Division					
1911 Application Services	2.00	2.00	3.00	1.00	3.00
1912 Web Services	0.00	0.00	0.00	0.00	0.00
1913 GIS Services	0.00	0.00	0.00	0.00	0.00
Total Enterprise Services Division	2.00	2.00	3.00	1.00	3.00
Infrastructure and Support Division					
1921 Infrastructure and Support	4.00	4.00	3.00	(1.00)	3.00
Total Infrastructure and Support Division	4.00	4.00	3.00	(1.00)	3.00
Telecommunication Services Division					
1941 IT Telecommunication Services	0.00	0.00	0.00	0.00	0.00
Total Telecommunication Services Division	0.00	0.00	0.00	0.00	0.00
Total by Division / Program	6.00	6.00	6.00	0.00	6.00
Positions by Fund					
Information Technology Services Fund	6.00	6.00	6.00	0.00	6.00
Total by Fund	6.00	6.00	6.00	0.00	6.00
Position Classification					
Director of Information Technology	1.00	1.00	1.00	0.00	1.00
Information Technology Services Manager	2.00	2.00	2.00	0.00	2.00
Office Specialist III	1.00	1.00	1.00	0.00	1.00
Senior Information Technology Services Manager	2.00	2.00	2.00	0.00	2.00
Total Positions	6.00	6.00	6.00	0.00	6.00



Budget Reconciliation

	Positions	Expenditures (All Funds)
Prior Year Budget	6.00	12,958,301
FY 2023/24 Base Budget Adjustments		
One-Time Cost Adjustments		
Replacement of Network Equipment (moved from CIP)		330,000
IT Sourcing Strategy		100,000
Ongoing Cost Adjustments		
Salary and benefits adjustments		231,371
Non-personnel adjustments		35,273
Net increase to various internal service fund allocations		(68,013)
Total FY 2023/24 Base Budget Adjustments	0.00	628,631
Total FY 2023/24 Base Budget	6.00	13,586,932
Service Level Changes		
Reduction in Information Technology Services Contract (COLA)		(192,000)
Reduction in Telecommunications Utilities Budget		(100,000)
Total Service Level Changes	0.00	(292,000)
Total FY 2023/24 Proposed Budget	6.00	13,294,932
FY 2024/25 Base Budget Adjustments		
One-Time Cost Adjustments		
Replacement of Network Equipment (moved from CIP)		(330,000)
IT Sourcing Strategy		(100,000)
Ongoing Cost Adjustments		
Salary and benefits adjustments		102,005
Non-personnel adjustments		195,792
Net increase to various internal service fund allocations		55
Total FY2024/25 Base Budget Adjustments	0.00	(132,148)
Total FY 2024/25 Base Budget	6.00	13,162,784



Budget Reconciliation

	Positions	Expenditures (All Funds)
Service Level Changes		
Reduction in Information Technology Services Contract (COLA)		(3,840)
Reduction in Telecommunications Utilities Budget		(2,000)
Total Service Level Changes	0.00	(5,840)
Total FY 2024/25 Proposed Budget	6.00	13,156,944



Service Level Changes

Title	Positions	FY 2023/24		FY 2024/25	
		One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Reduction in Information Technology Services Contract (COLA)	0.00	0	(192,000)	0	(195,840)

Program: 1931 – Contract Services

The Information Technology Department contracts with Unisys to provide the City with various information technology services. This contract includes cost-of-living adjustments (COLA) based on the CPI; however, the contract also includes language allowing the City to revisit to COLA should the City be met with budget constraints. In the current environment, ITD has reached out to Unisys to discuss the annual COLA increase, which is estimated to be \$384,000. Unisys, in good faith, has agreed to waive 50% of the COLA, resulting in a General Fund reduction of approximately \$132,320 and other funds reduction of \$59,680.

Performance Impact

The Department does not anticipate any impact to service delivery.

Strategic Pillar:



Deliver and Enhance High Quality Efficient Services and Infrastructure

Title	Positions	FY 2023/24		FY 2024/25	
		One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Reduction in Telecommunications Utilities Budget	0.00	0	(100,000)	0	(102,000)

Program: 1941 – Telecom Services

This proposal reduces the Information Technology Department's telecom utilities budget by \$100,000, from \$526,436 to \$426,436. This reduction will result in \$71,000 in savings to the General Fund and \$29,000 in savings in all other funds.

Performance Impact

The Department anticipates no service level impacts as this reduction reflects savings that can be recognized with the optimization of the City's telephony program.












Strategic Pillar:



Deliver and Enhance High Quality Efficient Services and Infrastructure














Performance and Workload Measures

Infrastructure and Support Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percent of Severity 1 and 2 tickets resolved ¹		97%	97%	97%	100%	97%	97%
Average percent of tickets resolved at first contact		20%	20%	25%	25%	25%	25%
Maintain critical server availability		100%	100%	99.90%	99.90%	99.90%	99.90%
Maintain data center availability		100%	100%	99.90%	100%	99.90%	99.90%
Average customer satisfaction rating (five-point scale)		>4	>4	>4	4.39%	>4	>4
Deployment software releases/patches per schedule		95%	96%	96%	97%	97%	97%
Percentage of devices with up-to-date malware software		98%	99%	99%	99%	99%	99%
Workload Measures							
Number of phishing attempts blocked		250,000	225,000	225,000	260,000	250,000	250,000
Number of malicious sites blocked		350,000	325,000	325,000	228,000	250,000	250,000
Number of end user devices supported		1,700	1,700	1,700	1,900	1,700	1,700
Number of responses to end user HelpDesk tickets		4,500	5,000	5,000	6,000	5,250	5,250

¹Severity 1 is systems down for public safety, internet, phones; Severity 2 is systems down for permitting, utility billing, payroll



Performance and Workload Measures

Enterprise Services Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Number of GIS based web tools and enhancements deployed		9	9	9	9	10	11
Number of visits to City websites		3,429,285	2,966,907	3,300,000	3,000,000	3,000,000	3,000,000
Number of City websites pages browsed by visitors		9,035,543	8,113,592	6,600,000	6,600,000	6,600,000	6,600,000
Number of unique visitors to City websites		2,346,485	1,950,747	2,000,000	2,000,000	2,000,000	2,000,000
Number of City Council and Planning Commission meetings supported		54	75	80	62	60	60
New Business applications – <i>Modified for FY 2023/24</i>		166	168	162	165	162	162
Business applications eliminated – <i>Delete for FY 2023/24</i>		4	16	5	10	N/A	N/A
Number of Business applications that are SAAS base – <i>Modified for FY 2023/24</i>		62	66	70	70	72	72
Business applications upgraded for compliance and business process improvements		20	30	15	15	20	20
Telecommunication Services Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Number of VoIP phones		1,104	1,120	1,120	1,156	1,160	1,160
Number of mobile devices		630	650	650	578	580	580

Library Department

This page is intentionally left blank.

Library Department Description

The Santa Clara City Library has positioned itself as a dynamic community hub, providing access to information, literacy resources, educational programming, and civic engagement opportunities for the Santa Clara community. The Library advances the Council's Priorities by delivering high quality, efficient services in the following core areas:

- **Collections** – Provides a relevant physical and digital collection of books, movies, music, magazines and research tools for a diverse community with wide-ranging interests and needs.
- **Technology and Information Access** – Introduces and provides access to technologies that support community innovation, employment opportunities, entrepreneurship and bridges the digital divide.
- **Literacy and English as a Second Language (ESL)** – Provides high quality adult and family literacy instruction and access to English as a Second Language support and resources.
- **Programming** – Delivers high impact programming that supports early literacy through story times and other pre-school age events. Offers teen and young adult activities that promote youth development and engagement. Provides cultural enrichment and promotes inclusion via outreach and programs for new immigrants. Supports community engagement, well-being, health and lifelong learning through educational programming and services such as State Park Passes for free check-out, free technology resources, local history and genealogy collection, and sustainable practices with the Seed Exchange Library and tool lending program.
- **Community Partnerships** – Pursues innovative partnerships with City departments, local educational institutions, local businesses and non-profits to enhance service delivery that promote reading, literacy and community building.
- **Facilities** – Maintains buildings that are a source of civic pride, provide opportunities for placemaking, encourages community engagement and provide a clean, safe and welcoming place to study, learn and connect.

Divisions and Services

The Library Department is organized into seven Divisions: Administration, Adult Services, Branch Services, Customer Services, Facilities, Technical and Technology Services and Youth Services.

Administration Division Mission	Plans, directs, organizes, and manages the Library Department educational and recreational activities for the Santa Clara community; provides staff support for the Department's central and administrative services.
Division Objectives	Manages the operational oversight of the Santa Clara City Library system including strategic planning, budgeting, personnel, facility management and community relations. Also provides support to the Library Board of Trustees and serves as liaison to the Santa Clara Library Foundation and Friends.
	Identifies and implements creative solutions to ensure access to technology to bridge the digital divide and enhance service delivery to library patrons.
	Establishes partnerships with community organizations to leverage resources and ensure a diverse portfolio of library programs and services.
	Collaborates with internal and external stakeholders in the implementation of programs that advance the City Council's Priorities through a strategic planning process.
	Provides strategic leadership on the development of new library facilities and necessary improvements to ensure clean, safe and welcoming facilities.



**Adult Services
Division Mission**

Provides information, research, and reader advisory services through effective reference and information delivery systems; select, evaluate, and deselect Library materials for adults, including books, periodicals, audio-visual materials, and materials in electronic formats; provide special programs, collections, and services, such as the local history genealogy collection, classes and workshops on new technologies, and the delivery of library materials to homebound residents.

Provides effective and efficient reference and reader advisory services for adults as well as technical assistance in the use of Library resources and technologies.

Division Objectives

Selects and curates the Library's extensive collection of print, media and digital resources as well as develops and implements programming for adults to support lifelong learning and community engagement.

Delivers programs and services that promote literacy including Career Online High School, the READ Santa Clara Program and English as a Second Language programs.

Maintains and supports the development of the City's local history and genealogy collection.

**Branch Services
Division Mission**

Provides access to collections, programs and space to distinct neighborhoods and communities throughout the City.

Provides relevant physical and digital collections of books, movies and music that appeal to diverse users.

Creates community through popular, informative and cultural programming that engenders lifelong learning.

Division Objectives

Drives economic and entrepreneurial growth by offering free Wi-Fi, computers and group study rooms.

Provides Bookmobile service to outlying, underserved and corporate communities where they work, play, create, learn and live regardless of physical, economic, social and geographic barriers.

Provides clean and safe facilities that enhance the neighborhood



Customer Services Division Mission	Provides and manages procedures for the circulation of Library materials with an emphasis on customer-centered services, including circulation of materials, reserves, patron registration, shelf maintenance and collection of fines and fees. Provide and manage general patron advisory, referral and assistance.
	Develops systems to ensure the timely and effective circulation of Library materials and resources.
	Acts as the initial point of contact for patron inquiries, aids in-person, delivers customer service via telephone and online on issues related to library accounts, circulation of materials and the availability of resources. Processes financial transactions related to patrons' use of materials.
	Coordinates the activities of the Interlibrary Loan and Link+ programs which allow patrons to secure materials from a consortium of academic and public libraries.
	Maintains the orderliness of the Library's collections by ensuring timely and efficient sorting, shelving and retrieval of materials for circulation.
Division Objectives	Provides logistical and operational support for special events and library programs.
Facilities Division Mission	Manages Library facilities to maintain safe, accessible and functional facilities for all Library visitors.
	Develops and manages contracts related to the safety and security of the Library's three physical locations: Central Library, Northside Branch Library and Mission Branch Library.
Division Objectives	Coordinates capital improvements and building maintenance activities with other departments.
	Facilitates the use of the Library's facilities by outside partners such as the Registrar of Voters and the County of Santa Clara for approved civic-related activities.
Technical and Technology Services Division Mission	Manages the acquisition, cataloging, processing, and repair of all types of library materials and the organization of these materials into collections for the use of library customers. Manages operations and systems which support Library services, provide access to Library collections, electronic resources, and information sources beyond the Library, by utilizing current technologies for the benefit of the community and the delivery of customer-centered services.
	Implements cost-savings benefits by purchasing pre-processed Library materials.
Division Objectives	Purchases and processes new library materials for delivery to customers in a timely fashion.
	Synchronizes Library data with other City departments for procurement and maintaining data and statistics.
	Sets up and maintains all public and staff computers and hardware, including workstations, laptops and printers throughout the Library system.
	Implements new library software and upgrades to existing applications to maintain functionality and security.
	Designs and supports technology-based programming.
	Designs, updates, and maintains content for Library website.



**Youth Services
Division Mission**

Provides relevant materials, programming, and services for children, young adults, and their families to support youth development and lifelong learning. Provides the Santa Clara community with opportunities to serve the City and the Library through volunteer activities.

Division Objectives

Supports the role of parents as their child's first and most important teacher through collections, programs, and resources; targeted to children ages 0 to 5.

Recognizes and honors Santa Clara's diverse community through programming multilingual story times and improved foreign language and bilingual collections for children and their families.

Provides equitable and high-quality programming, reference and reader's advisory services for all children and teens.

Publicizes the Library's resources, services and programs to elementary, middle and high schools within the City of Santa Clara, and positions the Library as a community educational partner.

Significant Accomplishments

- Held Comic Con 2022 at the Central Park Library Branch, hosting approximately 6,000 visitors and featuring multiple panels, cosplayers, games and contests; rated 4.68 out of 5 stars by attendees.
- Held 495 library programs across all age groups, with 26,351 people attending.
- Read Santa Clara provided 3,418 hours of free literacy instruction to 82 adult learners, enabling 77% of them to achieve the goals they had set as family members, workers, community members and lifelong learners.
- Implemented a new Homework Help Center with \$89,551 in grant funding from the California State Library. The program, Stronger Together: Teens Lead and Learn supported school children in Grades 2-6, while teens gained first job tutoring experience, with 12-15 families regularly seeking help.
- Published all Summer Reading program materials in both English and Spanish and distributed to all Santa Clara Unified School District students. A total of 2,884 participants read a total of 69,885 hours, with 99% of survey participants indicating they were encouraged to read more over the summer, and every participating child selecting a new book to take home at the end of the summer.
- Transitioned from mostly virtual programming during COVID-19 closures to in-person and hybrid programming in response to changing community needs, with many patrons cheering and clapping at the resuming of in-person programs and expressing how much they missed the library.
- Drew over 1,600 attendees for the Storytimes program every month.
- Provided Dial-a-Story 24/7 virtual programming, featuring weekly stories in English and Spanish, used 680 times since April 2022.
- Championed intellectual freedom and diversity, equity and inclusion in the community, both in collection development and programming, which included: hosting the traveling exhibit “Coming Out: 50 Years of Queer Resistance and Resilience in Silicon Valley;” creating a “We Welcome All” poster to display at all branches in nine languages; Ramadan story times and crafting activities; Pride story times and displays to celebrate Pride Month, Juneteenth, and Asian Pacific Heritage Month.
- Added \$100,000 worth of materials to the Chinese, Spanish, Hindi, Korean, Vietnamese and Persian collections.
- Created State Parks Pass collection used by the public nearly 700 times, pairable with hiking poles, bear canisters and hiking backpacks, to encourage community outdoor adventures.
- Reached out to local groups and seed sellers to support the Seed Share seed library, increasing the collection by over 15 varieties of flowers and vegetables, including seeds from Asian and Indian cuisines.
- Added a Lucky Day collection to the e-books platform, providing no wait for 231 of the most popular titles, which has been used over 1,900 times.
- Added 15 Early Literacy Kits designed to help children ages 3-5 prepare for Kindergarten readiness, which were checked out 76 times between September 2022 and March 2023.
- Developed a Technology Plan to upgrade existing technology, facilitate increased and improved public access, and plan for the next five years of anticipated technological needs and priorities.
- Obtained 90 updated public access computers to improve technological services to the public. Obtained 11 Chromebooks with hotspots for checkout. Replaced 30 public PC catalogs with Google Chromeboxes, providing both updated technology as well as \$16,000 in savings. Provided skilled Tech Help services in addition to upgraded technology, fostering digital equity in the community.
- Maintained and stabilized Open to the Public hours from 24 hours per week to 88 hours per week across all facilities and the Bookmobile.
- Obtained multiple grants with assistance from the Santa Clara City Library Foundation and Friends to support public programming, including the Kaiser ‘Healthy Me, Healthy You’ grant, the California State Library ‘Lunch at the Library’ grant to support outreach to community members seeking food assistance, \$91,766 in California Library Literacy

Services grant funding for Adult and Family Literacy, and \$55,500 in California Library Literacy Services funding for ESL programming to serve adults with very limited English-speaking skills.

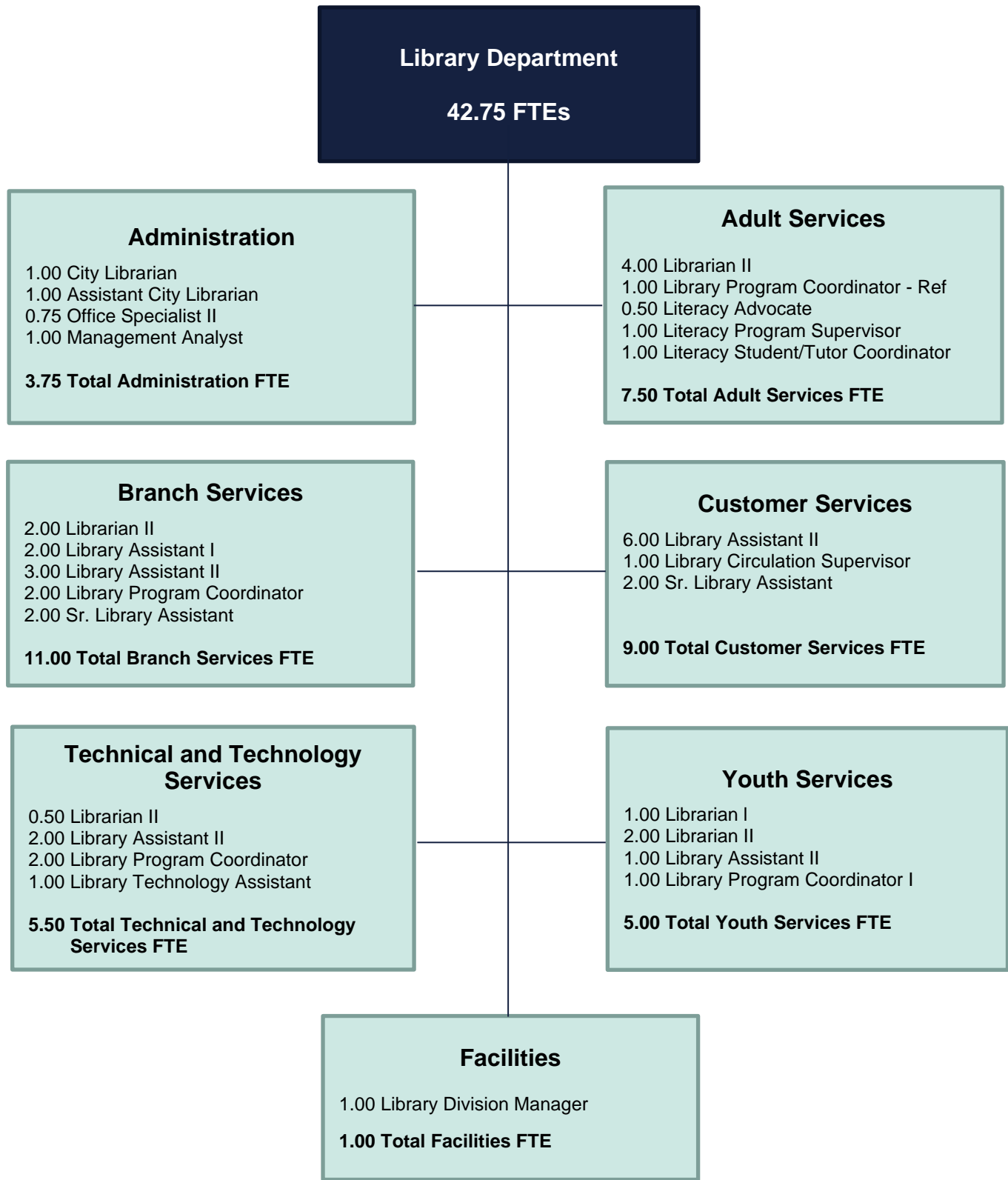
- Maintained regular Board of Library Trustees Meetings virtually and successfully transitioned to hybrid meetings.
- Partnered with St. Justin's School, collected approximately 3,700 pounds of food donations on behalf of Second Harvest Silicon Valley Food Bank.
- Served as a COVID testing site in Santa Clara, providing 19,266 COVID tests between August 2020 – October 2022.
- Coordinated with Stanford Blood Mobile for blood drives, collecting over 259 units of blood between 2020-2022.
- Served as the Number 1 out of 103 voting centers in Santa Clara County in 2022, with 1,908 votes processed in-person, and over 4,500 drop off ballots.

Significant Objectives

- Develop and implement a phased in approach to create a “new normal” for library services that balances access to critical library services with patron safety and employee wellness.
- Continue to support the City's respite services such as providing a Cooling and Warming Center and Blood Bank donation services.
- Re-establish Library's role as a service center for community engagement and outreach, using data analysis to strengthen opportunities for stronger Santa Clara resident use and participation.
- Evaluate the Library's current service delivery to accommodate lessons learned from the COVID-19 pandemic to maximize resources and improve services such as a rebalancing of physical and digital resources, continuation of hybrid in-person and virtual programming, opportunities for mobile service delivery and increased community collaborations to foster and support economy recovery efforts.
- Build the Library's capacity to serve by focusing on opportunities for staff recruitment, development, and engagement.
- Initiate Strategic Planning efforts to identify community-based goals for service and to align with City Council priorities.

Budget Highlights

- The Proposed Budget includes the following ongoing budget reductions to help address the General Fund deficit:
 - Reduce the printing, binding and books budget
 - Reduce the non-personnel budget for conference, travel and training; miscellaneous services, supplies and materials; and advertising and community promotion
 - Reduce the utilities budget
 - Eliminate the overtime budget





Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program						
Administration Division						
1221 Administration	1,962,830	2,548,974	1,898,933	(25.5%)	1,948,232	2.6%
1263 Literacy Grants	80,061	0	0	N/A	0	N/A
Total Administration Division	2,042,891	2,548,974	1,898,933	(25.5%)	1,948,232	2.6%
Adult Services Division						
1234 Read Santa Clara	393,656	417,216	411,332	(1.4%)	424,192	3.1%
1241 Reference and Adult Collections	492,220	716,496	762,737	6.5%	830,063	8.8%
1244 Local History	99,029	177,291	166,014	(6.4%)	178,592	7.6%
Total Adult Services Division	984,905	1,311,003	1,340,083	2.2%	1,432,847	6.9%
Branch Services Division						
1233 Mission Library	532,415	771,269	767,713	(0.5%)	800,412	4.3%
1235 Northside Branch	999,740	1,167,805	1,124,040	(3.7%)	1,188,740	5.8%
1236 Bookmobile and Mobile Library Services	177,753	188,761	193,476	2.5%	201,695	4.2%
Total Branch Services Division	1,709,908	2,127,835	2,085,229	(2.0%)	2,190,847	5.1%
Customer Services Division						
1245 Customer Services	1,600,355	1,952,377	1,932,432	(1.0%)	2,006,920	3.9%
Total Customer Services Division	1,600,355	1,952,377	1,932,432	(1.0%)	2,006,920	3.9%
Facilities Division						
1271 Facilities	628,991	782,007	739,245	(5.5%)	770,669	4.3%
Total Facilities Division	628,991	782,007	739,245	(5.5%)	770,669	4.3%



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program						
Technical and Technology Services Division						
1251 Technical Services	1,845,952	1,512,742	1,317,447	(12.9%)	1,363,384	3.5%
1272 Technology	503,469	657,424	640,732	(2.5%)	665,729	3.9%
Total Technical and Technology Services Division	2,349,421	2,170,166	1,958,179	(9.8%)	2,029,113	3.6%
Youth Services Division						
1231 Youth Services	571,031	834,135	722,796	(13.3%)	767,408	6.2%
1232 Young Adult	108,443	162,954	159,040	(2.4%)	171,589	7.9%
Total Youth Services Division	679,474	997,089	881,836	(11.6%)	938,997	6.5%
Total by Division / Program	9,995,945	11,889,451	10,835,937	(8.9%)	11,317,625	4.4%



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Fund						
General Fund	9,891,462	11,889,451	10,835,937	(8.9%)	11,317,625	4.4%
Library Operating Grant Trust Fund	101,801	0	0	N/A	0	N/A
Other City Department Op Grant Fund	2,682	0	0	N/A	0	N/A
Total by Fund	9,995,945	11,889,451	10,835,937	(8.9%)	11,317,625	4.4%
Dollars by Category						
Salary and Benefits						
Salary	4,009,172	4,491,543	4,677,581	4.1%	4,933,745	5.5%
As-Needed	440,074	896,761	931,261	3.8%	966,968	3.8%
Overtime	205	1,790	0	(100.0%)	0	N/A
Retirement	1,553,687	1,697,919	1,639,759	(3.4%)	1,737,684	6.0%
Health Allocation	436,469	554,153	580,005	4.7%	604,341	4.2%
Medicare	65,485	68,250	72,681	6.5%	76,510	5.3%
Social Security	251,890	277,651	300,728	8.3%	314,650	4.6%
Other Benefits	216,980	233,776	241,242	3.2%	252,106	4.5%
Total Salary and Benefits	6,973,962	8,221,843	8,443,257	2.7%	8,886,004	5.2%
Non-Personnel						
Materials/Services/Supplies	2,002,273	2,324,701	1,521,376	(34.6%)	1,568,279	3.1%
Interfund Services	1,019,710	1,083,907	871,304	(19.6%)	863,342	(0.9%)
Capital Outlay	0	259,000	0	(100.0%)	0	N/A
Total Non-Personnel	3,021,983	3,667,608	2,392,680	(34.8%)	2,431,621	1.6%
Total by Category	9,995,945	11,889,451	10,835,937	(8.9%)	11,317,625	4.4%



Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Division / Program					
Administration Division					
1221 Administration	3.50	3.50	3.75	0.25	3.75
Total Administration Division	3.50	3.50	3.75	0.25	3.75
Adult Services Division					
1234 Read Santa Clara	2.50	2.50	2.50	0.00	2.50
1241 Reference and Adult Collections	3.50	3.50	4.00	0.50	4.00
1244 Local History	1.00	1.00	1.00	0.00	1.00
Total Adult Services Division	7.00	7.00	7.50	0.50	7.50
Branch Services Division					
1233 Mission Library	4.00	4.00	4.00	0.00	4.00
1235 Northside Branch	7.00	7.00	6.00	(1.00)	6.00
1236 Bookmobile and Mobile Library Services	1.00	1.00	1.00	0.00	1.00
Total Branch Services Division	12.00	12.00	11.00	(1.00)	11.00
Customer Services Division					
1245 Customer Services	9.00	9.00	9.00	0.00	9.00
Total Customer Services Division	9.00	9.00	9.00	0.00	9.00
Facilities Division					
1271 Facilities	1.00	1.00	1.00	0.00	1.00
Total Facilities Division	1.00	1.00	1.00	0.00	1.00
Technical and Technology Services Division					
1251 Technical Services	3.50	3.50	3.50	0.00	3.50
1272 Technology	2.00	2.00	2.00	0.00	2.00
Total Technical and Technology Services Division	5.50	5.50	5.50	0.00	5.50
Youth Services Division					
1231 Youth Services	3.50	3.50	4.00	0.50	4.00
1232 Young Adult	1.00	1.00	1.00	0.00	1.00
Total Youth Services Division	4.50	4.50	5.00	0.50	5.00
Total by Division / Program	42.50	42.50	42.75	0.25	42.75



Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Fund					
General Fund	42.50	42.50	42.75	0.25	42.75
Total by Fund	42.50	42.50	42.75	0.25	42.75
Assistant City Librarian	1.00	1.00	1.00	0.00	1.00
City Librarian	1.00	1.00	1.00	0.00	1.00
Librarian I	1.00	1.00	1.00	0.00	1.00
Librarian II	8.50	8.50	8.50	0.00	8.50
Library Assistant I	2.00	2.00	2.00	0.00	2.00
Library Assistant II	12.00	12.00	12.00	0.00	12.00
Library Circulation Supervsr	1.00	1.00	1.00	0.00	1.00
Library Div Mgr -Support Svcs	1.00	1.00	1.00	0.00	1.00
Library Prog Coord - Tech Svcs	1.00	1.00	1.00	0.00	1.00
Library Prog Coord-Technology	1.00	1.00	1.00	0.00	1.00
Library Program Coord - Ref	1.00	1.00	1.00	0.00	1.00
Library Program Coordinator	3.00	3.00	3.00	0.00	3.00
Library Technology Assistant	1.00	1.00	1.00	0.00	1.00
Literacy Advocate	0.50	0.50	0.50	0.00	0.50
Literacy Program Supervisor	1.00	1.00	1.00	0.00	1.00
Literacy Student/Tutor Coord	1.00	1.00	1.00	0.00	1.00
Management Analyst	1.00	1.00	1.00	0.00	1.00
Office Specialist II	0.50	0.50	0.75	0.25	0.75
Sr Library Assistant	4.00	4.00	4.00	0.00	4.00
Total Positions	42.50	42.50	42.75	0.25	42.75



Budget Reconciliation

	Positions	Expenditures (All Funds)
Prior Year Budget	42.50	11,889,451
FY 2023/24 Base Budget Adjustments		
One-Time Cost Adjustments		
Rebudget: Library Technology Purchases		(259,000)
Rebudget: Library Strategic Plan		(250,000)
Rebudget: Library Facilities Master Plan		(250,000)
Ongoing Cost Adjustments		
Salary and benefits adjustments		223,487
Office Specialist FTE Increase from 0.5FTE to 0.75FTE	0.25	
Net increase in materials, services and supplies		46,981
Internal service fund adjustments		(212,603)
Total FY 2023/24 Base Budget Adjustments	0.25	(701,135)
Total FY 2023/24 Base Budget	42.75	11,188,316
Service Level Changes		
Reduction in printing, binding and books budget		(250,000)
Reduction in overtime and materials/services/supplies budget		(52,379)
Reduction in utilities budget		(50,000)
Total Service Level Changes	0.00	(352,379)
Total FY 2023/24 Proposed Budget	42.75	10,835,937
FY 2024/25 Base Budget Adjustments		
Ongoing Cost Adjustments		
Salary and benefits adjustments		442,747
Net increase in materials, services and supplies		46,903
Internal service fund adjustments		(7,962)
Total FY 2024/25 Base Budget Adjustments	0.00	481,688
Total FY 2024/25 Base Budget	42.75	11,317,625
Total FY 2024/25 Proposed Budget	42.75	11,317,625



Service Level Changes

		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Reduction of Printing, Binding and Books Budget	0.00	0	(250,000)	0	(250,000)

Program: 1251 – Library – Technical Services

This proposal reduces the printing, binding and books budget ongoing by \$250,000 (from \$758,930 to \$508,930). This budget provides for library collection materials (print, media, online) that are utilized by the community.

Performance Impact

This proposal will reduce the number of new items added to the collection, as well as replacements for collection items that become worn out from heavy use. Staff will purchase fewer copies of new and popular titles, and materials in other languages. The reduction of newly purchased bilingual collection items and materials in other languages impacts offerings to a subset of community members, including adults and families who are English language learners and refugees, many who currently participate in the Read Santa Clara literacy program. Library staff will reduce purchases for low-demand items, making referrals through the interlibrary loan LINK+ service and to neighboring community libraries. Staff will work with the Foundation and Friends to write grants and fundraise for materials.

Strategic Pillar:



Manage Strategically Our Workforce Capacity and Resources

Service Level Changes

		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Reduction of Overtime and Materials/Services/Supplies Budgets	0.00	0	(52,379)	0	(53,575)
Program:	1233 – Mission Library 1234 – Read Santa Clara 1235 – Northside Branch 1236 – Bookmobile & Mobile Library Services 1241 – Reference and Adult Collections 1245 – Customer Services 1251 – Technical Services 1271 – Facilities 1272 – Technology				

This proposal reduces funding for overtime, conferences and trainings, programming and cataloging supplies, office supplies, and advertising and community promotion supplies. This proposal eliminates the overtime budget of \$2,073 (from \$2,073 to \$0) and reduces the materials/services/supplies budget by \$50,306, ongoing. The materials/services/supplies budget reductions include a reduction of \$11,395 in the conference, travel & training budget (from \$19,429 to \$ 8,034), \$12,082 in the miscellaneous services & supplies budget (from \$12,082 to \$0), \$26,764 in the operating supplies budget (from \$79,855 to \$53,091), and \$65 in the advertising & community promotion budget (from \$65 to \$0).

Performance Impact

Staff will utilize other resources to offset the reductions including internal trainings, low-cost trainings, and shifting advertising and community promotion activity to more electronic and low-cost means such as social media platforms to minimize service level impacts. The reductions to operating and miscellaneous services and supplies budget will impact the materials available for distribution at library programs. The reduction in supplies for cataloging and processing materials, paired with the reduction in the printing, binding and books budget, will reduce new and replacement collection materials offered at the libraries.

Strategic Pillar:



Manage Strategically Our Workforce Capacity and Resources



Service Level Changes


		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Reduction of Utilities Budget	0.00	0	(50,000)	0	(51,450)
Program:	1233 – Mission Library 1235 – Northside Branch 1271 – Facilities				

This proposal reduces the utilities budget for library facilities on an ongoing basis. Current utilities funds are slightly inflated and can be reduced by \$50,000 with low anticipated impact as library hours and programming have reduced over the previous years due to COVID-19 and a decrease in the number of after-hours meeting reservations.

Performance Impact

There is little to no anticipated performance impact.









Strategic Pillar:













Manage Strategically Our Workforce Capacity and Resources



Performance and Workload Measures










Administration Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Number of Library Board of Trustee packets submitted annually		9	13	11	11	10	10
Number of grants applied for annually		4	9	7	11	13	13
Adult Services Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percentage of READ Santa Clara's adult learners who achieved a literacy goal they set		77%	77%	70%	70%	70%	70%
Percentage of adult program attendees who feel "very satisfied" with the quality of the program and reported that they were able to apply the knowledge or skills to benefit their lives – <i>Modified for FY 2023/24</i>		N/A	90%	78%	90%	90%	90%
Workload Measures							
Total number of reference reader's advisory, and research questions answered annually		5,822	7,517	22,000	8,645	9,942	11,433
Total number of genealogy/local history questions answered annually – <i>New for FY 2023/24</i>		101	230	N/A	310	325	340
Total attendance at in-person adult programs		0	0	12,000	500	1,000	1,500
Total views for virtual adult programming		12,525	3,975	17,000	2,000	1,500	1,500

Performance and Workload Measures

Branch Services Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Number of items circulated annually at Mission Library		5,641	27,399	35,000	40,000	40,000	45,000
Number of items circulated annually at Northside Library		28,447	105,146	150,000	115,000	120,000	125,000
Number of items circulated annually via the Bookmobile		24,946	40,035	30,000	33,454	40,035	42,037
Number of annual visits at the Mission Branch Library		881	12,289	42,000	25,000	28,000	30,000
Number of annual visits at the Northside Branch Library		5,943	37,893	220,000	70,000	75,000	80,000
Number of annual visits at the Bookmobile		5,159	14,409	10,000	15,541	14,409	15,129
Customer Services Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Average number of days until a returned item is ready for checkout		N/A	N/A	2	3	2	2
Workload Measures							
Number of patron visits to existing facilities annually		69,957	240,858	800,000	365,000	400,000	400,000
Number of items circulated annually		1,173,047	1,798,166	1,700,000	2,099,862	2,400,000	2,500,000
Number of patrons registered annually		5,924	10,075	11,000	12,274	13,000	14,000




Performance and Workload Measures

Facilities Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Number of facility work orders completed annually		138	234	275	250	250	250
Number of safety inspections made annually		36	36	36	36	36	36
Technical and Technology Services Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Library materials per capita		3.0	3.0	3.0	3.0	3.0	3.0
Number of physical items added to the collection annually		28,711	28,733	37,000	29,284	20,000	20,000
Number of Library public computer sessions		1,408	17,013	50,000	22,000	23,000	24,000
Number of Library Wi-Fi logons		41,960	67,275	200,000	75,000	76,000	77,000
Youth Services Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percentage of children and teen program attendees who feel "very satisfied" with the quality of the program		N/A	N/A	78%	80%	75%	80%
Workload Measures							
Total number of children and teen program attendees		69,311	3,945	15,000	22,000	23,000	25,000
Total number of reference reader's advisory and research questions answered annually		0	12,681	19,000	14,000	15,000	16,000



Performance and Workload Measures

Youth Services Division							
Workload Measures							
Total views of virtual children and teen programs		64,538	10,021	75,000	200	200	200

Parks & Recreation Department

This page is intentionally left blank.

Parks & Recreation Department Description

The Parks & Recreation Department provides planning, development, operation, maintenance, and rehabilitation of the City's twenty-nine (29) neighborhood parks, fourteen (14) mini parks, two (2) community parks, three (3) open space sites, ten (10) recreation buildings, four (4) trails, joint use facilities, and eleven (11) bodies of water at five sites. Facilities include community centers, neighborhood park buildings, community gardens, playgrounds, pools, restrooms, picnic areas, turf, trees, vegetation, athletic fields, and joint use facilities. Service levels are set to promote the use of safe, clean, and attractive facilities for enjoyment and quality of life for all ages and abilities. The Department assists the public with facility rentals, community services, cultural programs, special events, enhanced natural environments, fitness and wellness programs, as well as sports and aquatics opportunities. The Senior Nutrition Program provides a congregate meal setting where seniors can improve their health through balanced meals and socialization and is funded through a grant from the Santa Clara County Social Services Agency's Senior Nutrition Program and Community Development Block Grant (CDBG) funds. Seniors are encouraged to access the many services available at the senior center while on site and are given the opportunity to engage in health and wellness programs at the senior center. The Parks & Recreation Department also provides planning, development, operation and maintenance of the City's two cemetery properties to support families before, during and after their time of need. The Cemetery Division maintains 33,000 interment sites in a peaceful public park and provides customer service in a professional and respectful manner, while demonstrating sensitivity to our diverse community.

Divisions and Services

The Parks & Recreation Department is organized into five divisions: Administration, Parks, Recreation, Cemetery, and Senior Nutrition Program.

Administration Division Mission	Provide leadership, resource development and administrative support to Parks, Recreation, Cemetery, and Senior Nutrition Program Divisions; plan and develop new parks and recreation facilities to support the City's programs, activities and special events; review new housing development plans for provision of new parkland dedication and recreation amenities.
Division Objectives	Plan and implement design, development, construction, and maintenance of new parks; rehabilitation of older facilities and infrastructure, including public outreach and Parks & Recreation Commission review and recommendations.
	Research and develop partnerships, sponsorships, and grants from private, corporate, and other public agencies to supplement funding of facilities, projects, programs, and other services.
	Provide leadership to four Commissions (Parks & Recreation, Senior Advisory, Cultural, and Youth).
	Conduct plan reviews and prepare comments for new housing developers to optimize park and recreation amenities in new developments and to ensure compliance with City Code 17.35 (Park and Recreational Land).
	Activate Mass Care & Shelter Function of the Emergency Operations Center (Commodity Points of Distribution, Heating Center, Cooling Center), as needed.
	Plan and implement multiple citywide special events annually.
	Support the Park Impact Fee program. Initiate annual land valuation study used to update the fees in the municipal fee schedule, initiate City park projects, evaluate developer-initiated park projects and calculate park in lieu fees, ensure that all projects meet the needs of the community, facilitate community input.



Parks Division Mission

Maintain, acquire and rehabilitate Santa Clara's parks, community centers, playgrounds, pools, athletic facilities and neighborhood park buildings including restrooms, picnic areas, turf, trees, vegetation, athletic fields, pools, and sports venues at defined levels of service that promote the use of safe, clean, and attractive facilities for the enjoyment of the public.

Provide administrative direction, updated training, and technical support for Parks Division staff; contract operators of facilities and public users; plan for parks and facility maintenance rehabilitation needs, including volunteer projects to enhance natural habitat and urban forestry.

Division Objectives

Maintain nine clean, safe, attractive municipal swimming pools at four sites (International Swim Center, Mary Gomez, Warburton, and Senior Center). Maintain and support the use of clean, safe, fully functional, and attractive Community Recreation Center, Senior Center, Youth & Teen Center, Reed & Grant Sports Park and six neighborhood park buildings. Maintain and support community gardens and natural areas. All facilities and grounds are maintained on a year-round schedule of turf care, irrigation, facility maintenance, vegetation, tree care, litter control, and graffiti removal.

Provide physical and logistical support for citywide special events for planning, mapping, set up, safety and cleanup; ensure that all City and Public Agency permit requirements are met for public events.

Recreation Division Mission

Provide recreation opportunities for all residents of Santa Clara at the Community Recreation Center, Youth & Teen Center, Senior Center, Youth Soccer Park, Reed & Grant Sports Parks, City parks and athletic facilities and City pools.

Division Objectives

The Sports, Aquatics and Athletic Facilities Program coordinates use of the Youth Soccer Park, Reed & Grant Sports Park and some Santa Clara Unified School District (SCUSD) fields; and manages Santa Clara Tennis Center and Gymnastics Center. The Aquatics Program offers year-round access to lap swim for adults and seniors, aquatic fitness programming and a variety of summer swim lessons for all ages; safely supervises seasonal recreational swimming. It partners with the field and pool user groups for consistent use and policy implementation and coordinates with recreation vendors to offer developmental sports programs and adult sports leagues.

Youth & Teen Center offers drop-in afterschool programs for children in K-12 grade, teen volunteer and leadership development, seasonal programs, summer day camp session and serves middle and high school youth with specialized events and programs, including Skate Park programs.

The Performing Arts Program provides a variety of afterschool dance, music, art, creative drama and theater programs, including summer drama and arts camps, dance and musical recitals, performances and exhibitions. Coordinates City use of the Mission City Center for the Performing Arts.

The Senior Center offers a variety of health and wellness, fitness, arts and culture, and special interest classes and volunteer opportunities for individuals over 50 years of age, including programs in the fitness area and natatorium at the Senior Center.

The Enrichment program provides art and expression classes, recreation vendor programs, coordinates membership and sustainability/garden programs at the City's community gardens, and implements preschool enrichment programs, classes and summer camps.



Senior Nutrition Program Division Mission	Provide a congregate meals program to improve senior health and ability to live independently.
Division Objectives	<p>Offer a Monday through Friday senior nutrition program.</p> <p>Encourage participation in Health and Wellness Program, resources, case management referrals, fitness, and social activities at the Senior Center to enhance quality of life.</p> <p>Offer access to information about senior issues and current events.</p>
Cemetery Division Mission	The Mission City Memorial Park provides exemplary cemetery services in a well maintained, park-like setting with a customer-oriented atmosphere. The Agnew Historic Cemetery maintains space for reflection and interprets historical artifacts.
Division Objectives	<p>Mow and trim turf areas weekly; pruning and planting of trees as needed for safety and maintenance of existing canopy.</p> <p>Maintain cemetery buildings daily, in keeping with City standards.</p> <p>Coordinate interments and burials with people in their time of need.</p> <p>Maintain accurate documentation, use best practices and depending on the availability of resources, use current technology to map and record all transactions and burials in the cemetery.</p> <p>Develop in-ground and niche bank spaces to provide additional interment options for families in need.</p>

Significant Accomplishments

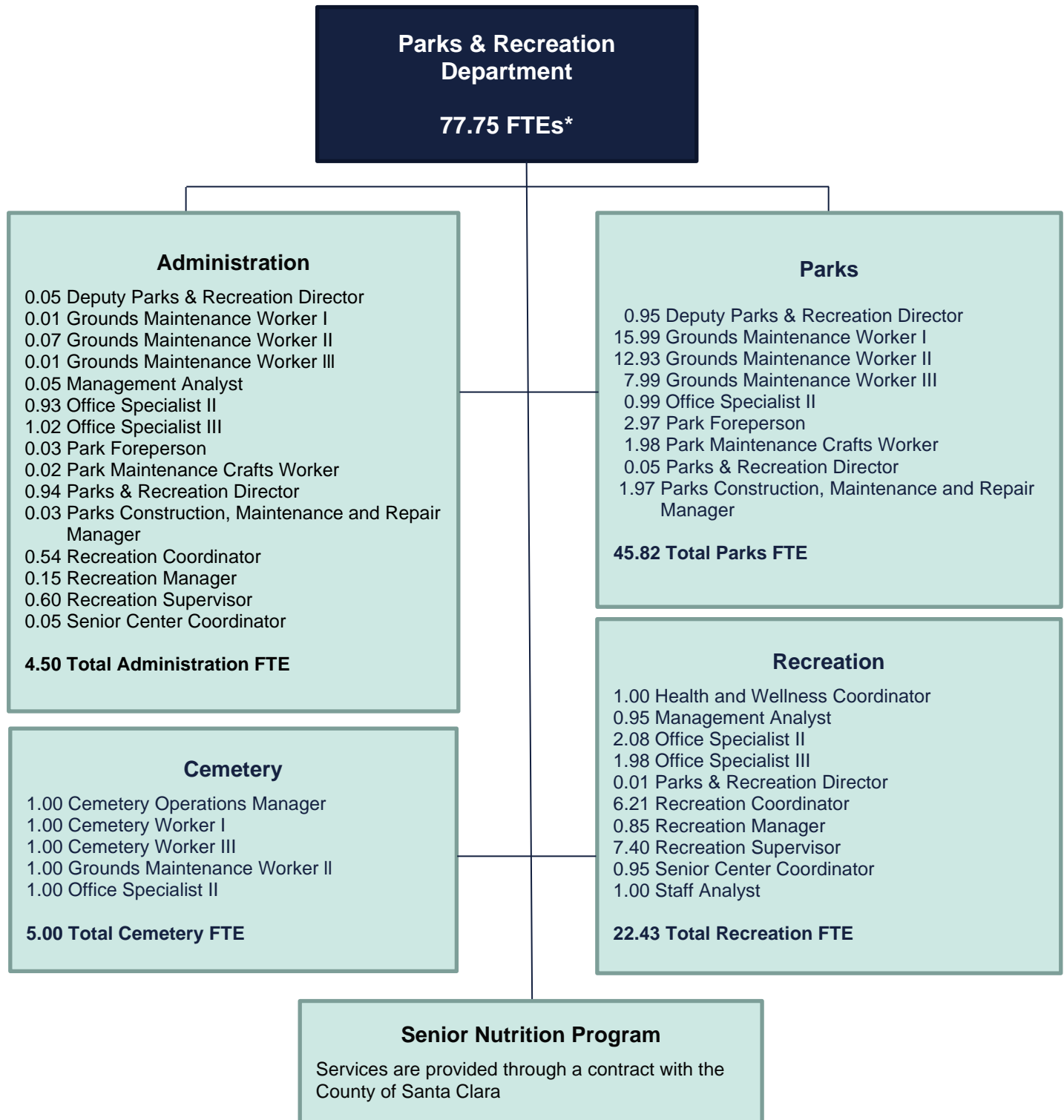
- Created and implemented a cost recovery policy for the Department.
- Began design of playgrounds at Warburton Park and Henry Schmidt Park.
- Initiated a Facility Condition Assessment Report.
- Initiated a Citywide Parks & Recreation Master Plan Study.
- Began rehabilitation of the Westwood Oaks Park playground.
- Began construction on the Montague Park Rehabilitation Project.
- Initiated the Integrated Goose Management Plan (IGMP) at Central Park.
- Initiated International Swim Center Forensic Engineering Study.
- Certified thirty-eight (38) Forklift Operators to be able to move and transport supplies and equipment.
- Certified three (3) International Society of Arboriculture (ISA) Certified Arborists for inspection, and care of City trees.
- Certified twenty-six (26) Green Gardeners for sustainable and responsible landscape design and care.
- Certified three (3) Qualified Water Efficient Landscapers for responsible use of irrigation.

Significant Objectives

- Develop a land acquisition program for parkland.
- Complete construction at Montague Park.
- Onboard Neuvo Community Buildings at Lawrence Station Area Plan.
- Develop Arts Center design at Patrick Henry Drive Precise Plan site.
- Begin Design of Community Park North in the Related Project.
- Complete construction of the Magical Bridge Playground in Central Park.
- Continue to provide approximately 15,800 nutritional meals to seniors in the Monday - Friday Senior Nutrition Program
- Continue to explore options for supporting long-term health of cemetery maintenance endowment

Budget Highlights

- Reduce the General Fund subsidy to the Cemetery Fund by \$100,000 in FY 2023/24 and FY 2024/25 due to recent cost-recovery fee increases to 100% cost recovery, or market rate, for residents and non-residents and an increase in marketing and outreach to the community which has yielded higher average services annually (this change is reflected in the Non-Departmental section of the budget). Cemetery revenues come from the components of burial, such as fees for interment rights, labor charges, and interest on the Cemetery endowment fund principal. Historically, the Cemetery operations have been subsidized by the General Fund by approximately 50%.
- Increase Facility Rental revenues by \$200,000 in FY 2023/24 and an additional \$25,000 starting in FY 2024/25 (this change is factored into the General Fund revenue estimates). The revenue increase is based on the new demand for commercial use reservations and non-profit youth sports field rentals, current revenue trends, and the anticipation of two new community rooms at Lawrence Station in FY 2024/25. The revenue trends reflect the application of the Parks & Recreation Cost-Recovery Policy and associated fee changes, additional marketing of field rentals for commercial use, and new fees for Santa Clara based youth sports organizations.



*The positions above represent all funded positions. This excludes the 1.0 Grounds Maintenance Worker I, 2.0 Grounds Maintenance Worker II and 1.0 Office Specialist II positions that were frozen, as approved by the City Council on March 9, 2021 (Agenda Item 5.0 – Report to Council 21-402).



Budget Summary

		FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program							
Administration Division							
1121	Administration	1,168,624	1,239,738	1,370,607	10.6%	1,378,461	0.6%
1122	Park Development	200,056	191,127	194,532	1.8%	207,692	6.8%
1123	Park Projects	53,276	53,098	52,865	(0.4%)	55,019	4.1%
1171	Citywide Special Events	202,871	321,395	672,886	109.4%	703,804	4.6%
Total Administration Division		1,624,827	1,805,358	2,290,890	26.9%	2,344,976	2.4%
Parks Division							
1132	Parks	8,252,442	8,953,785	8,663,696	(3.2%)	9,033,152	4.3%
1133	Pools	1,400,348	1,319,251	1,347,204	2.1%	1,405,285	4.3%
1134	Buildings	1,080,280	1,137,279	1,269,227	11.6%	1,320,398	4.0%
1135	Operations	437,483	609,463	511,990	(16.0%)	534,380	4.4%
Total Parks Division		11,170,553	12,019,778	11,792,117	(1.9%)	12,293,215	4.2%
Recreation Division							
1117	Program Operations	2,420	0	0	N/A	0	N/A
1141	Health and Wellness	160,307	216,566	216,413	(0.1%)	224,725	3.8%
1142	Administration	426,428	403,280	369,424	(8.4%)	387,120	4.8%
1143	Youth Activity Center and Programs	1,081,396	1,237,503	1,423,461	15.0%	1,483,533	4.2%
1144	Senior Center and Therapeutic Recreation	1,088,160	1,707,640	1,595,843	(6.5%)	1,650,116	3.4%
1145	Community Recreation Center and Programs	2,038,729	3,058,926	2,863,936	(6.4%)	2,981,187	4.1%
1146	Youth Sports ¹	169,869	352,428	533,064	51.3%	553,284	3.8%
1147	Aquatics	472,619	421,581	610,814	44.9%	637,313	4.3%
1148	Sports and Athletics	216,015	253,959	138,607	(45.4%)	144,761	4.4%
1149	Youth and Teen Center ²	417,309	572,235	339,875	(40.6%)	357,600	5.2%
Total Recreation Division		6,073,252	8,224,118	8,091,437	(1.6%)	8,419,639	4.1%
Senior Nutrition Program Division							
1112	Senior Nutrition Program	212,586	124,769	152,363	22.1%	152,363	0.0%
Total Senior Nutrition Program Division		212,586	124,769	152,363	22.1%	152,363	0.0%

¹Formerly known as Recreation Facilities

²Formerly known as Teen Center Activities and Programs



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program						
Cemetery Division						
0125 Cemetery Perpetual Care	0	500	500	0.0%	500	0.0%
0131 Cemetery Endowment Care	0	28,000	30,000	7.1%	30,000	0.0%
1162 Maintenance of Grounds	743,142	751,715	740,689	(1.5%)	769,372	3.9%
1163 Maintenance of Buildings	97,611	133,644	137,732	3.1%	142,984	3.8%
1164 Operations	596,534	655,259	656,750	0.2%	678,732	3.3%
Total Cemetery Division	1,437,287	1,569,118	1,565,671	(0.2%)	1,621,588	3.6%
Total by Division / Program	20,518,505	23,743,141	23,892,478	0.6%	24,831,781	3.9%
Dollars by Fund						
General Fund	18,839,824	21,698,747	21,933,152	1.1%	22,809,299	4.0%
Cemetery Fund	1,437,086	1,540,618	1,535,171	(0.4%)	1,591,088	3.6%
Community Facilities District 2019 – 1 Lawrence Station Fund	13,924	350,507	241,292	(31.2%)	248,531	3.0%
Custodial Deposits Fund	2,400	0	0	N/A	0	N/A
Endowment Care Fund	0	28,000	30,000	7.1%	30,000	0.0%
Other City Departments Operating Fund	10,265	0	0	N/A	0	N/A
Park and Rec Grant Trust Fund	212,586	124,769	152,363	22.1%	152,363	0.0%
Perpetual Care Fund	0	500	500	0.0%	500	0.0%
Public Donations Fund	2,420	0	0	0.0%	0	0.0%
Total by Fund	20,518,505	23,743,141	23,892,478	0.6%	24,831,781	3.9%



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Category						
Salary and Benefits						
Salary	7,470,224	7,583,211	8,011,664	5.7%	8,404,127	4.9%
As-Needed	1,477,310	2,628,027	2,714,228	3.3%	2,815,000	3.7%
Overtime	23,113	60,331	62,442	3.5%	64,627	3.5%
Retirement	2,827,299	2,936,964	2,889,306	(1.6%)	3,043,224	5.3%
Health Allocation	912,727	1,096,251	1,196,057	9.1%	1,249,783	4.5%
Medicare	132,216	122,186	126,888	3.8%	132,773	4.6%
Social Security	462,847	506,737	532,196	5.0%	555,297	4.3%
Other Benefits	396,982	304,309	318,507	4.7%	325,048	2.1%
Total Salary and Benefits	13,702,718	15,238,016	15,851,288	4.0%	16,589,879	4.7%
Non-Personnel						
Materials/Services/Supplies	4,578,319	6,093,388	6,177,695	1.4%	6,359,703	2.9%
Interfund Services	2,190,932	2,378,970	1,832,173	(23.0%)	1,850,877	1.0%
Capital Outlay	42,269	0	0	N/A	0	N/A
Transfers to Other Funds	4,267	32,767	31,322	(4.4%)	31,322	0.0%
Total Non-Personnel	6,815,787	8,505,125	8,041,190	(5.5%)	8,241,902	2.5%
Total by Category	20,518,505	23,743,141	23,892,478	0.6%	24,831,781	3.9%

Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Division / Program					
Administration Division					
1121 Administration	1.60	1.60	1.60	0.00	1.60
1122 Park Development	1.13	1.13	1.12	(0.01)	1.12
1123 Park Projects	0.12	0.12	0.12	0.00	0.12
1171 Citywide Special Events	0.80	0.79	1.66	0.87	1.66
Total Administration Division	3.65	3.64	4.50	0.86	4.50
Parks Division					
1132 Parks	35.27	36.52	35.51	(1.01)	35.51
1133 Pools	4.10	4.10	4.10	0.00	4.10
1134 Buildings	5.57	4.57	4.57	0.00	4.57
1135 Operations	1.64	1.64	1.64	0.00	1.64
Total Parks Division	46.58	46.83	45.82	(1.01)	45.82
Recreation Division					
1141 Health and Wellness	1.00	1.00	1.00	0.00	1.00
1142 Administration	1.95	1.71	1.76	0.05	1.76
1143 Youth Activity Center and Programs	3.98	3.98	4.89	0.91	4.89
1144 Senior Center and Therapeutic Recreation Programs	4.68	4.68	4.04	(0.64)	4.04
1145 Community Recreation Center and Programs	6.15	6.15	6.05	(0.09)	6.05
1146 Youth Sports ¹	0.45	0.45	1.39	0.94	1.39
1147 Aquatics	1.04	1.04	2.05	1.01	2.05
1148 Sports and Athletics	1.00	1.00	0.40	(0.60)	0.40
1149 Youth and Teen Center ²	2.27	2.28	0.85	(1.43)	0.85
Total Recreation Division	22.52	22.29	22.43	0.15	22.43
Cemetery					
1162 Maintenance of Grounds	2.90	2.90	2.90	0.00	2.90
1163 Maintenance of Buildings	0.10	0.10	0.10	0.00	0.10
1164 Operations	2.00	2.00	2.00	0.00	2.00
Total Cemetery Division	5.00	5.00	5.00	0.00	5.00
Total by Division / Program	77.75	77.75	77.75	0.00	77.75

*The positions above represent all funded positions. This excludes the 1.0 Grounds Maintenance Worker I, 2.0 Grounds Maintenance Worker II and 1.0 Office Specialist II positions that were frozen, as approved by the City Council on March 9, 2021 (Agenda Item 5.0 – Report to Council 21-402).

¹Formerly known as Recreation Facilities

²Formerly known as Teen Center Activities and Programs

Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Fund					
General Fund	72.75	72.75	72.75	0.00	72.75
Cemetery	5.00	5.00	5.00	0.00	5.00
Total by Fund	77.75	77.75	77.75	0.00	77.75
Position Classification					
Cemetery Operations Manager	1.00	1.00	1.00	0.00	1.00
Cemetery Worker I	1.00	1.00	1.00	0.00	1.00
Cemetery Worker III	1.00	1.00	1.00	0.00	1.00
Deputy Parks and Rec Director	1.00	1.00	1.00	0.00	1.00
Grounds Maintenance Worker I	16.00	16.00	16.00	0.00	16.00
Grounds Maintenance Worker II	14.00	14.00	14.00	0.00	14.00
Grounds Maintenance Worker III	8.00	8.00	8.00	0.00	8.00
Health and Wellness Coordinator	1.00	1.00	1.00	0.00	1.00
Management Analyst	1.00	1.00	1.00	0.00	1.00
Office Specialist II	5.00	5.00	5.00	0.00	5.00
Office Specialist III	3.00	3.00	3.00	0.00	3.00
Park Foreperson	3.00	3.00	3.00	0.00	3.00
Park Maintenance Crafts Worker	2.00	2.00	2.00	0.00	2.00
Parks and Recreation Director	1.00	1.00	1.00	0.00	1.00
Parks Construction, Maintenance and Repair Manager	2.00	2.00	2.00	0.00	2.00
Recreation Coordinator	6.75	6.75	6.75	0.00	6.75
Recreation Manager	1.00	1.00	1.00	0.00	1.00
Recreation Supervisor	8.00	8.00	8.00	0.00	8.00
Senior Center Coordinator	1.00	1.00	1.00	0.00	1.00
Staff Aide II	1.00	1.00	1.00	0.00	1.00
Total Positions	77.75	77.75	77.75	0.00	77.75

**The positions above represent all funded positions. This excludes the 1.0 Grounds Maintenance Worker I, 2.0 Grounds Maintenance Worker II and 1.0 Office Specialist II positions that were frozen, as approved by the City Council on March 9, 2021 (Agenda Item 5.0 – Report to Council 21-402).*













Budget Reconciliation

	Positions	Expenditures (All Funds)
Prior Year Budget	77.75	23,743,141
FY 2023/24 Base Budget Adjustments		
Ongoing Cost Adjustments		
Salary and benefits adjustments		613,272
Net increase in materials, services and supplies		84,307
Net decrease in transfers to other funds		(1,445)
Net decrease in various interfund services allocations		(546,797)
Total FY 2023/24 Base Budget Adjustments	0.00	149,337
Total FY 2023/24 Base Budget	77.75	23,892,478
Total FY 2023/24 Proposed Budget	77.75	23,892,478
FY 2024/25 Base Budget Adjustments		
Ongoing Cost Adjustments		
Salary and benefits adjustments		738,591
Net increase in materials, services and supplies		182,008
Net increase in various interfund services allocations		18,704
Total FY 2024/25 Base Budget Adjustments	0.00	939,303
Total FY 2024/25 Base Budget	77.75	24,831,781
Total FY 2024/25 Proposed Budget	77.75	24,831,781

















Performance and Workload Measures

Administration Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Number of volunteers recruited, trained, and supervised		4	572	600	175	300	350
Amount of funds raised through grants		\$256,622	\$224,250	\$250,000	\$800,000	\$250,000	\$250,000
Maintain public parkland acres at or above current standard level of service of (2.53) per 1,000 residents (projects reviewed for Mitigation Fee Act at 2.53 acres and Quimby Act at 3 acres per 1,000 residents)		2.6	2.5	2.8	2.8	2.8	2.8
Number of parkland acres added		3.972	0.85	2.0	3.3	5.0	5.0
Amount of Park in Lieu fees collected		\$2.8M	\$18.4M	\$2.0M	\$23.2M	\$2.0M	\$2.0M
Number of park playgrounds rehabilitated – <i>Delete for FY 2023/24</i>		3	1	2	1	N/A	N/A
Number of community input meetings held (Online Surveys included)		5	10	4	12	8	8
Number of parks/playgrounds rehabilitation projects initiated – <i>Modified for FY 2023/24</i>		2	1	2	2	2	2
Number of new park parcels acquired		3	1	2	9	2	2
Net income from the Art and Wine Festival available for charitable purposes – <i>Delete for FY 2023/24</i>		\$0	\$89,000	\$60,000	\$70,874	N/A	N/A
















Performance and Workload Measures

Parks Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percentage of pool chemical tests balanced		90%	N/A	85%	100%	50%	50%
Percentage of staff provided training and certification for Qualified Applicator Certificate		95%	86%	90%	93%	80%	80%
Parks acres maintained by other entities		3.34	5.26	3.34	5.26	6	7
Workload Measures							
Park acre/FTE maintenance staff		10.01	8.10	7.71	7.60	8.00	8.00
Cost per acre maintained		24,929	24,348	28,700	24,820	28,800	28,800
Number of playgrounds certified (i.e. PlayCore Play On, Nature, Inclusion)		15	7	18	16	18	20
Number of staff certified as Aquatic Facility Operators or Certified Pool Operators		35	N/A	40	22	20	20
Number of staff provided training and certification for Qualified Applicator Certificate		39	N/A	41	34	38	38
Cost per square foot of building maintained (269,769 square feet)		4.26	3.34	5	4.60	4.90	4.90
Number of work orders completed for buildings		196	N/A	300	599	300	300
Number of pest control recommendations reported to the State of California – <i>Delete for FY 2023/24</i>		18	7	14	9	N/A	N/A
Annual number of work orders completed for parks		1,248	1,118	600	1,021	600	600
Number of staff certified as South Bay Water Recycling Supervisor		6	5	8	6	6	8
Number of certified arborists on staff		4	4	6	5	6	6

















Performance and Workload Measures

Recreation Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percentage of registration processed online		93%	70%	75%	87%	80%	80%
Workload Measures							
Number of free biometric screenings and resource referrals on-site at the Senior Center		1,387	93	3,000	2,225	100	100
Average monthly Health and Wellness participants		180	379	300	334	350	400
Number of park building and picnic rental bookings processed		40	1,268	13,500	610	1,000	1,500
Number of drop-in program attendance at the Youth & Teen Center (After School Open Gym/Special Activities) – <i>Modified for FY 2023/24</i>		0	29,263	29,000	21,060	25,000	25,000
Number of Sports Camp participants		0	781	800	871	800	800
Number of special events offered at the Youth Activity Center – <i>Delete for FY 2023/24</i>		8	0	20	0	N/A	N/A
Number of classes offered at the Youth & Teen Center – <i>Modified for FY 2023/24</i>		26	193	250	108	150	150
Number of senior trip and tour participants – <i>Delete for FY 2023/24</i>		0	1,543	0	1,751	N/A	N/A
Number of drop-in program participation (Fitness and Group Exercise) at the Senior Center		0	9,424	100,000	45,200	50,000	60,000
Senior Center membership cards issued		738	2,521	2,000	1,880	2,000	2,000
Number of Therapeutic Recreation classes offered by the City – <i>Delete for FY 2023/24</i>		8	0	10	95	N/A	N/A
Number of senior recreation class participants – <i>Modified for FY 2023/24</i>		9,872	7,691	7,500	3,050	7,500	7,500















Performance and Workload Measures

Recreation Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Number of parent/child, youth and adult classes offered		356	645	1,500	1,630	1,500	1,500
Number of Adult fitness drop-in program participant attendance – <i>Modified for FY 2023/24</i>		0	7,289	8,000	1,170	2,000	2,500
Annual Santa Clara Youth Sports groups field permits		60	119	160	150	150	150
Annual adult sports groups issued use permits – <i>Modified for FY 2023/24</i>		0	12	12	17	15	15
Annual youth sports field attendance		129,824	280,009	150,000	201,367	150,000	150,000
Annual adult sports field attendance		0	5,062	400	13,808	1,000	1,000
Number of summer swim lesson classes provided – <i>Delete for FY 2023/24</i>		24	163	200	384	N/A	N/A
Number of summer swim lesson participants		60	820	700	450	700	700
Number of Lap Swim participants (excluding resident seniors) – <i>Modified for FY 2023/24</i>		28,054	17,960	7,500	6,980	7,500	7,500
Number of Resident Senior Lap Swim Participants – <i>Modified for FY 2023/24</i>		15,285	17,960	17,000	16,300	15,000	15,000
Number of registered adult softball teams – <i>Delete for FY 2023/24</i>		0	11	24	0	N/A	N/A
Number of registered adult basketball teams – <i>Delete for FY 2023/24</i>		0	0	24	0	N/A	N/A
Number of hours Teen Center opens per week for drop-in activities – <i>Delete for FY 2023/24</i>		0	18.5	18.5	0	N/A	N/A
Number of special events for teens – <i>Delete for FY 2023/24</i>		0	0	10	0	N/A	N/A



Performance and Workload Measures

Recreation Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Number of Youth & Teen Center drop-in participants per year – <i>Modified for FY 2023/24</i>		0	11,221	11,500	19,300	20,000	20,000
Average number of daily participants in the Senior Nutrition Program		145	105	63	75	60	60
Total number of unduplicated participants in the Senior Nutrition Program, annually		424	424	390	375	280	280
Total Annual Meals Served		35,903	26,125	15,561	18,600	15,000	15,000
Cemetery Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percent of deeds, maps and records preserved/restored – exclude – <i>Delete for FY 2023/24</i>		5%	5%	82%	5%	N/A	N/A
Workload Measures							
Cost per acre maintained (22.6 ac.)		\$26,900	\$28,122	\$29,900	\$33,260	\$29,000	\$29,000
Cost per square foot maintained (10,656 square feet)		\$9.86	\$2.60	\$10.64	\$12.54	\$10.40	\$10.40
Cemetery existing capacity remaining (estimate)		1,227	1,283	1,264	468	1,000	1,000
Number of burial plots/interment rights purchased		76	94	59	43	50	50
Number of interment services conducted		121	144	130	114	100	100
Number of work orders completed		58	89	66	96	75	80
Number of cemetery acres needed to meet future demand		22.6	22.6	24.6	22.6	23.6	24.6

Police Department

This page is intentionally left blank.

Police Department Description

The Police Department provides law enforcement and other policing services to the City of Santa Clara. The Police Department is organized into four Divisions: Administrative Services; Field Operations; Investigations; and Special Operations.

The Administrative Services Division (Services) is made up of the Chief's Office, Property and Evidence, Professional Standards Unit (Recruiting/Hiring, Internal Affairs, and the Training Unit), Communications Center, Records Unit, and the Community Services Unit.

The Records Unit is responsible for maintaining all crime reports, producing statistical crime information to the Department of Justice and the Federal Bureau of Investigations, providing radio support to officers in the field, and preparing the release of information to the public. The Records Unit also performs customer service functions at the front desk at the Police Building and Northside Substation.

The Communications Center receives and processes emergency and non-emergency calls for the City.

The Community Services Unit has many public facing functions, including acting as the liaison to private and public schools, Adult Crossing Guards, 5th Grade Safety Patrol, instruction related with crime trends (e.g., Run, Hide & Fight trainings).

The Professional Standards Unit handles recruiting, training, and internal affairs.

The Chief's Office manages local, State and federal grants, the Chief's Advisory Committee, the Diversity, Equity and Inclusion Police Subcommittee, and the Department's community engagement efforts (e.g., webpage, social media outlets, print media, Citizens' Police Academy, Chat with the Chief, Coffee with a Cop, Leadership Santa Clara, National Night Out, Talk and Tour, Department Open House, etc.). This office also facilitates major projects, the Department's budget, legislative advocacy positions, policy management, the community volunteer program, and responses to developer inquiries.

The Field Operations Division (Patrol) is comprised of first responders who respond to the vast majority of calls for service. The Division is made up of patrol teams, a motorcycle traffic unit, a traffic/hit-and-run investigator as well as community service officers to manage parking control and abandoned vehicle abatement.

The Community Response Team (CRT) is also part of the Field Operations Division. The CRT addresses quality of life issues in the City (e.g., homelessness, RV parking, mental health issues, drug activity, conflicts with neighbors, blights, abuse of the 911 system, referrals to programs, services and housing, etc.). The CRT is also the liaison to Santa Clara University and oversees the permits unit (e.g., food trucks, bingo, tow companies, and massage), facilitating inspections and investigations. The CRT includes Crisis Intervention Specialists to coordinate and support beneficial outcomes for vulnerable populations, such as the City's unhoused residents and the mentally ill.

The Investigations Division (Detective Bureau) is responsible for conducting follow-up investigations, particularly for major crimes. Detectives are assigned by type of crime, which includes homicide, assaults, robbery, theft, burglary, sexual assault, financial crimes, arson, and juvenile crimes. The Investigations Division keeps track of and continues to pursue "cold cases." The Investigations Division houses the Department's Forensic Coordinator and Crime Analyst and serves as the liaison to specialized task forces.

The Special Operations Division serves as the liaison between the City and outside entities for special event permits (e.g., walk/run, parade, festival, etc.), provides security support for dignitary visits and demonstrations, and develops operational orders for law enforcement, traffic and neighborhood protection needs associated with Levi's Stadium, Santa Clara Convention Center, California's Great America, and Santa Clara University. The Reserve Police Officer program complements the work of the Department and is supported by this Division. This Division is the home to a number of specialized teams within the Department, such as the K-9 Unit, Hostage Negotiation Team, and the Special Response Team (SRT). This Division manages the Temporary Holding Facility at the Police Building and Levi's Stadium, as well as the Jail Service Officers.



Divisions and Services

Administrative Services Division Mission

The Administrative Services Division (Services) is made up of the Chief's Office, Property and Evidence, Professional Standards Unit (Recruiting/Hiring, Internal Affairs, and the Training Unit), Communications Center, Records Unit, and the Community Services Unit.

The Communications Center receives, and processes emergency and non-emergency calls for the Police and Fire Departments, as well as non-business after hour response for other Departments throughout the City.

The Community Services Unit has many public facing functions: liaison to private and public schools, Adult Crossing Guards, 5th Grade Safety Patrol, instruction related with crime trends (e.g., Run, Hide & Fight trainings).

The Chief's Office manages local, State and federal grants, the Chief's Advisory Committee, the Diversity, Equity and Inclusion Police Subcommittee, and the Department's community engagement efforts (e.g., webpage, social media outlets, print media, Citizens' Police Academy, Chat with the Chief, Coffee with a Cop, Leadership Santa Clara, National Night Out, Talk and Tour, Department Open House, etc.). This office also facilitates major projects, the Department's budget, legislative advocacy positions, policy management, the community volunteer program, and responses to developer inquiries.

The Records Unit is also part of the Administrative Services Division. The Records Unit is responsible for maintaining all crime reports, producing statistical crime information to the Department of Justice and the Federal Bureau of Investigations, providing radio support to officers in the field, and preparing the release of information to the public. The Records Unit also performs customer service functions at the front desk at the Police Building and Northside Substation (should this facility reopen).

Division Objectives

This budget cycle, the Communications Center will update its Viper phone system and NICE phone recording system. Doing so, will also allow for enhancements to the city's Next Generation 911 (NG911) system. This highly reliable, secure system will have enhanced tools for more effective and efficient response, increased ability to interoperate or transfer all functionality in the event of a major disaster. With these upgrades, citizens in need of emergency assistance will be able to transmit photos, videos and other existing and future forms of broadband data and applications, in addition to voice, to Public Safety Dispatchers which can be passed along to first responders and incident commanders.



Communication
Acquisitions
Division Mission

Replace amortized electronic equipment within the City.

Division Objectives

Provide continued funding for communications equipment replacement as necessary. All departments with radios are charged annually; at the end of eight years, replacement radios are expected to be fully funded.

Make adjustments to the Fire Department's radios to address State Load channels prior to wildfire season.

Field Operations
Division Mission

Protect and serve with honesty, fairness, professionalism, and integrity. Maintain a community atmosphere that will provide our citizens with a quality of life that will enable them to enjoy our community to the fullest.

The Field Operations Division (Patrol) is comprised of the "first responders" who provide immediate services to residents, visitors, and businesses within our City. The Division is made up of patrol teams, a motorcycle traffic unit, a traffic/hit-and-run investigator as well as community service officers to manage parking control and abandoned vehicle abatement.

The Community Response Team (CRT) works towards goals of crime reduction and promoting community wellness, often among vulnerable populations. In 2020, SCPD established two Crisis Intervention Specialist positions as part of the CRT. The Specialists coordinate and support beneficial outcomes for persons with mental illness who have come to the attention of the Department. The CRT's function has many community benefits, including addressing long-term public safety issues, allowing patrol officers to focus on in-progress events, community engagement, and proactive police work.

The Traffic Enforcement Unit monitors traffic violations and enforces laws at identified problem areas and intersections.

With data from the Investigations Division, Field Operations personnel are being deployed by Public Safety Dispatchers to locations on specific days and times, using a matrix of factors, in an effort to prevent crime.

Division Objectives

Field Operations personnel will continue to address alcohol related crimes and disturbances, particularly in the Santa Clara University footprint.

Look ahead at training and equipment needs in the coming 18-36 months and develop a strategic plan that addresses those needs, factoring in the impacts of the recent and pending budget reductions as well as new legislative requirements.

- Enhance the use of FLOCK in identifying stolen vehicles
- Transition select fleet vehicles to zero emission electric vehicles



Investigations Division Mission

The Investigations Division receives reports of crimes that have occurred in our community and conducts follow-up investigations, utilizing statements, physical evidence, crime analysis, and deductive reasoning to identify perpetrators of crime. Detectives are assigned by type of crime, which includes homicide, assaults, robbery, theft, burglary, sexual assault, financial crimes, arson, and juvenile crimes. The Investigations Division keeps track of and continues to pursue “cold cases.” Subpoenas for trial witness are processed and delivered from this Division.

The Special Enforcement Team (SET) will continue to operate as a proactive unit dedicated to the suppression of crime in our community.

Division Objectives

Proactively serve the City's residents by combatting crime and identifying those responsible.

Continue to aggressively track and monitor registered sexual offenders and gang registrants.

Investigate and seek out criminals resulting in a high volume of prosecutable cases.

Special Operations Division Mission

The Special Operations Division includes the Homeland Security and Special Events Unit. It serves as the liaison between the City and outside agencies for special event permits (e.g., walk/run, parade, festival, etc.), provides security support for dignitary visits and demonstrations, and develops operational orders for law enforcement, traffic and neighborhood protection needs associated with Levi's Stadium, the Santa Clara Convention Center, California's Great America, and Santa Clara University. This Division is the home to a number of specialized teams within the Department, such as the K-9 Unit, Hostage Negotiation Team, and the Special Response Team (SRT).

The Reserve Police Officer program complements the work of the Department in many ways and is supported by this Division.

This Division manages the temporary holding facility at the police building and Levi's Stadium, as well as the jail service officers.

Division Objectives

Utilize technology to provide real-time updates during events to provide complete situational awareness and improve public safety capabilities.

Maintain critical information sharing and partnerships with federal, State and local law enforcement agencies to ensure the safety and security of the community.

Significant Accomplishments

- Developed a policy, conducted the required public meetings and gained City Council approval to comply with AB 481, which requires California law enforcement agencies to obtain approval of a Military Equipment Use Policy by their governing body prior to taking certain actions related to the funding, acquisition or use of military equipment.
- Implemented a two-year, 12-camera pilot program with automated license plate reader technology to aide in locating stolen vehicles.
- Upgraded the recording system within the 9-1-1 phone system.
- Transitioned the City's estimated 950 radios to encrypted channels to comply with Department of Justice mandates by December 31, 2021.
- Partnered with the Diversity, Equity and Inclusion Task Force in the review of department policies.
- Implemented a confidential database with crucial information about individuals with special needs that may be useful for responding public safety personnel.
- Provided the community with the opportunity to voluntarily participate in a Special Needs Awareness Program.
- Transitioned to a new Records Management System and converted from Uniform Crime Reporting Program to National Incident Based Reporting System by January 2022.
- Implemented AB 953, Racial and Identity Profiling Act, policy mandates by April 1, 2022.
- Facilitated a Study Session with City Council related to recreation vehicle parking in the City.
- Selected, trained and launched the Directed Aerial Response Team.
- Re-implemented the Resident Permit Parking program with a third-party vendor managing the virtual permit process.

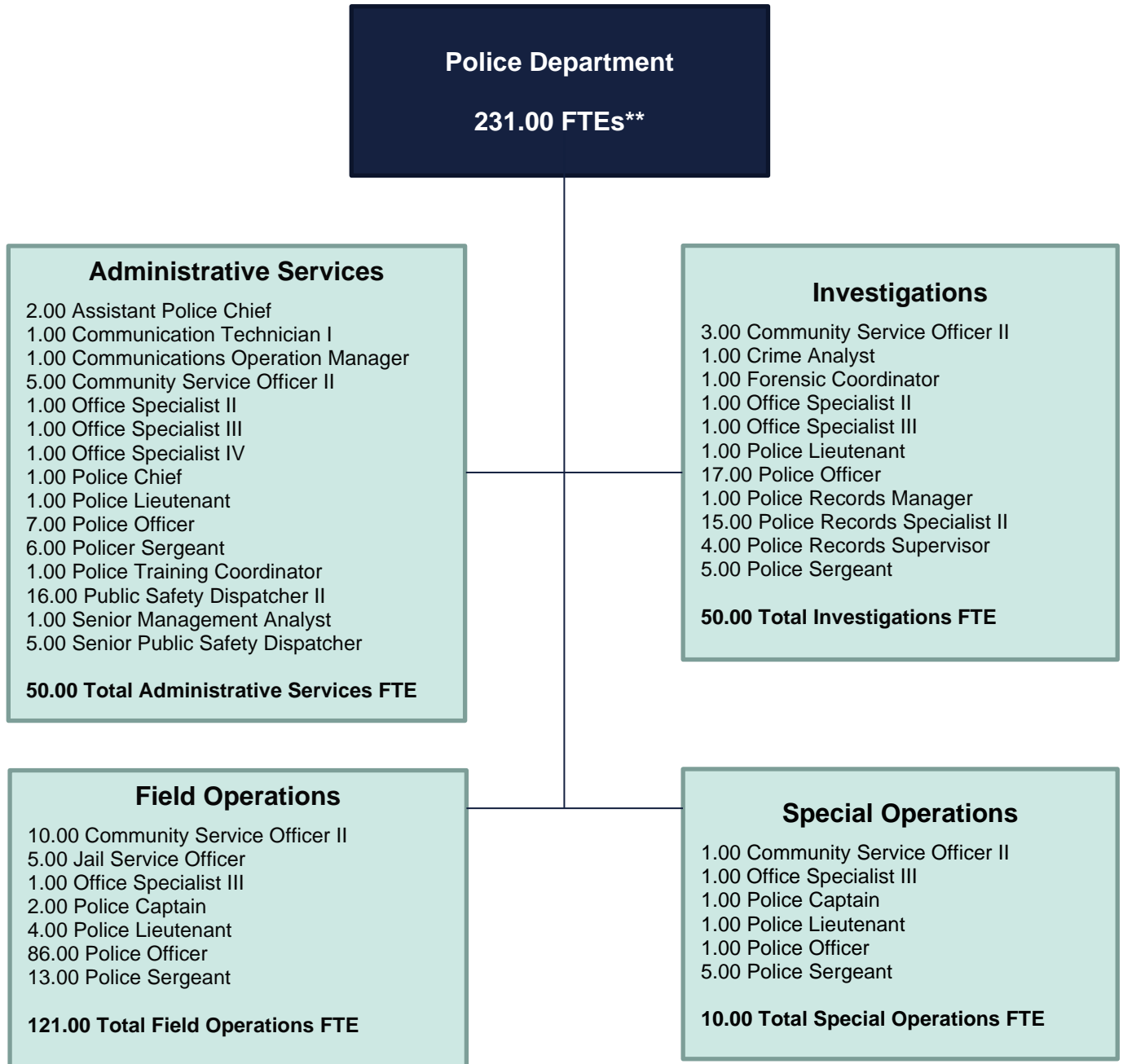
Significant Objectives

- Conduct a ceremony for the naming of the Temporary Holding Facility in honor of Carla Munoz, who had a distinguished career with the Police Department and was the City's first ever Jail Service Officer.
- Restore programs, services and facilities to pre-pandemic levels, including but not limited to:
 - Parks patrol
 - School Resource Officer(s)
 - Traffic/motorcycle Unit
 - Northside Police Substation
 - Reconvene the Diversity, Equity and Inclusion Police subcommittee
- Continue to utilize the 15-member Chief's Advisory Committee to advise the Police Chief on issues, matters and public policies which influence or impact the ongoing relationship between the Police Department and the community.
- Develop a comprehensive, multi-phase strategy to recruit highly qualified, motivated applicants and facilitate the hiring of full-time and part-time employees in sworn and civilian professional capacities.
- Develop a policy, municipal fee schedule and corresponding checklist to accept Conceal Carry Weapon permits.
- Develop first AB 481 Annual Report and conduct the associated public meeting.
- Complete the upgrade to 9-1-1 phone system to include updated version of Next Generation 911 compatibility.
- Conduct the Hexagon Computer Aided Dispatch 9.4 version upgrade.
- Improve Public Safety Dispatcher applicant process by replacing Dispatch POST Testing with the CritiCall testing software.

- Migrate Communications Training Daily Observation Reports (DOR) from in-house Excel documents to LEFTA program.
- Install LAWNET/REDNET talk groups on Motorola Consoles.
- Coordinate with Hexagon and the Department of Justice regarding proposed changes by the Racial and Identity Profiling Act (RIPA) Board for additional data point collection by January 1, 2024.
- Explore replacement of radios (hand-pack).
- Implement Mark43 record management system.
- Evaluate the upgrade of equipment in the Communications Center that provides fire station alerting.
- Utilize one-time grant funds to seek out a mental health clinician to support the efforts of Crisis Intervention Specialists.
- Seek City Council guidance on the Bingo Ordinance in connection with State law.
- Recommend adjustments to the City Code in connection with Senate Bill 946 Sidewalk Vendors Soliciting.
- Amend the Police Department's Retention Schedule.
- Determine the future for the Northside Police Substation, potentially including a lease extension.
- Transition select fleet vehicles to zero emission electric vehicles.
- Work with law enforcement partners to address local (e.g., abandoned vehicles, recreational vehicle (RV) parking, neighborhood parking) and regional issues (e.g., property crimes, homelessness, traffic, mental illness, street racing).
- Develop a community engagement program utilizing the state-of-the-art use of force simulator to provide a realistic, yet safe, environment for education with induced stimuli.
- Staff the Gun Violence Prevention Task Force.
- Expand the Crisis Intervention Specialist program from two to four police officers to provide better coverage for 24/7, 365 operations.
- Develop a real-time Crime Center.
- Secure grant funds to purchase front-line law enforcement equipment, conduct specialized operations, and offer officer training (e.g., evidence vehicle, use of force simulator).
- Implement new ways to staff all special events with highly trained and committed public safety personnel to ensure the safety of all attendees, control traffic and pedestrian movement, and reduce the impact on surrounding residents and businesses.
- Proactively serve the City's residents by combatting crime and identifying those responsible.

Budget Highlights

- The Proposed Budget reflects the following:
 - No cuts to positions within the Department
 - Ongoing reduction in operating supplies to help address the General Fund shortfall



***The positions above represent all funded positions. This excludes the 4.0 Police Officer and 2.0 Police Sergeant positions that were frozen, as approved by the City Council on March 9, 2021 (Agenda Item 5.0 – Report to Council 21-402). This position count, however, includes positions that were restored with the \$1.7 million added to the Police Department budget on June 22, 2021. This funding restored 10.0 FTE to the Police Department, approved by the City Council on January 11, 2022 (Report to Council 22-1595).*



Budget Summary

		FY 2021/22	FY 2022/23	FY 2023/24	FY 2023/24	FY 2024/25	FY 2024/25
		Actual	Adopted	Proposed	Change %	Proposed	Change %
Dollars by Division / Program							
Administrative Services Division							
7742	Administration	4,874,713	5,178,234	5,653,607	9.2%	5,820,568	3.0%
7744	Professional Standard	2,601,338	2,416,501	2,396,460	(0.8%)	2,519,025	5.1%
7745	Department Support	2,429,993	3,222,584	2,647,019	(17.9%)	2,768,926	4.6%
7746	Community Services Police	3,254,427	4,317,306	3,606,543	(16.5%)	3,783,912	4.9%
7747	911 Dispatch/Communications	5,028,049	6,360,554	5,996,941	(5.7%)	6,314,103	5.3%
7752	Police Grants	293,041	0	0	N/A	0	N/A
7754	Police Grants - Admin Services	456	0	0	N/A	0	N/A
Total Administrative Services Division		18,482,017	21,495,179	20,300,570	(5.6%)	21,206,534	4.5%
Communication Acquisitions Division							
7781	Communication Equipment Amortization	373,997	829,358	995,232	20.0%	1,013,568	1.8%
Total Communication Acquisitions Division		373,997	829,358	995,232	20.0%	1,013,568	1.8%
Field Operations Division							
7722	General Patrol	37,868,670	37,640,485	39,544,511	5.1%	41,783,711	5.7%
7723	Traffic	3,422,785	3,889,362	4,138,077	6.4%	4,389,137	6.1%
7724	Emergency Response / Temporary Holding Facility	1,721,503	1,720,817	1,723,394	0.1%	1,808,330	4.9%
7725	Reserves	6,274	0	0	N/A	0	N/A
Total Field Operations Division		43,019,232	43,250,664	45,405,982	5.0%	47,981,178	5.7%
Investigations Division							
7732	General Investigation	8,075,457	10,068,672	9,333,936	(7.3%)	9,836,937	5.4%
7733	Special Enforcement Team	1,489,075	2,019,338	2,070,860	2.6%	2,188,322	5.7%
7734	Records	4,045,196	4,785,453	4,655,648	(2.7%)	4,909,493	5.5%
Total Investigations Division		13,609,728	16,873,463	16,060,444	(4.8%)	16,934,752	5.4%
Special Operations Division							
7761	General	2,478,455	2,835,138	3,753,837	32.4%	3,975,531	5.9%
7764	Specialized Teams	60,343	29,786	30,452	2.2%	31,132	2.2%
7765	Reserves	130,824	130,793	142,037	8.6%	153,656	8.2%
Total Special Operations Division		2,669,622	2,995,717	3,926,326	31.1%	4,160,319	6.0%
Total by Division / Program		78,154,596	85,444,381	86,688,554	1.5%	91,296,351	5.3%



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Fund						
General Fund	62,081,750	84,615,023	85,598,562	1.2%	90,185,180	5.4%
Communication Acquisitions Fund	373,997	829,358	995,232	20.0%	1,013,568	1.8%
Community Facilities District 2019-1 Lawrence Station Fund	0	0	94,760	N/A	97,603	3.0%
Expendable Trust Fund	256,714	0	0	N/A	0	N/A
Other City Departments Operating Grant Trust Fund	79,441	0	0	N/A	0	N/A
American Rescue Plan Fund	14,916,886	0	0	N/A	0	N/A
Police Operating Grant Trust Fund	445,352	0	0	N/A	0	N/A
Public Donations Fund	456	0	0	N/A	0	N/A
Total by Fund	78,154,596	85,444,381	86,688,554	1.5%	91,296,351	5.3%
Dollars by Category						
Salary and Benefits						
Salary	38,934,379	39,289,662	38,988,510	(0.8%)	41,173,341	5.6%
As-Needed	899,021	527,469	553,282	4.9%	579,998	4.8%
Overtime	2,470,819	2,157,276	2,232,938	3.5%	2,311,249	3.5%
Retirement	19,252,185	23,202,511	22,696,352	(2.2%)	24,306,624	7.1%
Health Allocation	2,393,980	2,978,503	4,027,826	35.2%	4,219,965	4.8%
Medicare	633,319	627,092	644,582	2.8%	680,002	5.5%
Social Security	483,420	675,868	674,054	(0.3%)	707,838	5.0%
Other Benefits	1,542,968	2,875,345	3,735,022	29.9%	3,887,468	4.1%
Total Salary and Benefits	66,610,091	72,333,726	73,552,566	1.7%	77,866,485	5.9%
Non-Personnel						
Materials/Services/Supplies	2,940,199	3,565,421	3,553,950	(0.3%)	3,634,334	2.3%
Interfund Services	8,057,088	8,715,876	8,586,806	(1.5%)	8,781,964	2.3%
Capital Outlay	547,218	829,358	995,232	20.0%	1,013,568	1.8%
Total Non-Personnel	11,544,505	13,110,655	13,135,988	0.2%	13,429,866	2.2%
Total by Category	78,154,596	85,444,381	86,688,554	1.5%	91,296,351	5.3%



Position Summary

	FY 2021/22 Adopted*	FY 2022/23 Adopted**	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Division / Program					
Administrative Services Division					
7742 Administration	7.00	8.00	8.00	0.00	8.00
7744 Professional Standard	5.00	5.00	5.00	0.00	5.00
7745 Department Support	5.00	5.00	5.00	0.00	5.00
7746 Community Services Police	11.00	9.00	9.00	0.00	9.00
7747 911 Dispatch/Communications	23.00	23.00	23.00	0.00	23.00
Total Administrative Services Division	51.00	50.00	50.00	0.00	50.00
Field Operations Division					
7722 General Patrol	96.50	103.00	103.00	0.00	103.00
7723 Traffic	9.50	11.00	11.00	0.00	11.00
7724 Emergency Response/Temporary Holding Facility	7.00	7.00	7.00	0.00	7.00
Total Field Operations Division	113.00	121.00	121.00	0.00	121.00
Investigations Division					
7732 General Investigation	24.00	23.00	23.00	0.00	23.00
7733 Special Enforcement Team	5.00	5.00	5.00	0.00	5.00
7734 Records	21.00	22.00	22.00	0.00	22.00
Total Investigations Division	50.00	50.00	50.00	0.00	50.00
Special Operations Division					
7761 General	7.00	10.00	10.00	0.00	10.00
Total Special Operations Division	7.00	10.00	10.00	0.00	10.00
Total by Division / Program	221.00	231.00	231.00	0.00	231.00

*The FY 2021/22 Adopted positions do not include positions that were restored with the \$1.7 million added to the Police Department FY 2021/22 budget on June 22, 2021. The actual position restorations were identified after the adoption of the budget.

**The FY 2022/23 Adopted positions represent all funded positions. This excludes the 4.0 Police Officer and 2.0 Police Sergeant positions that were frozen, as approved by the City Council on March 9, 2021 (Agenda Item 5.0 – Report to Council 21-402). This position count, however, includes positions that were restored with the \$1.7 million added to the Police Department budget on June 22, 2021. This funding restored 10.0 FTE to the Police Department, approved by the City Council on January 11, 2022 (Report to Council 22-1595).

Position Summary

	FY 2021/22 Adopted*	FY 2022/23 Adopted**	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Fund					
General Fund	221.00	231.00	231.00	0.00	231.00
Total by Fund	221.00	231.00	231.00	0.00	231.00

Position Classification					
Assistant Police Chief	2.00	2.00	2.00	0.00	2.00
Communications Operations Manager	1.00	1.00	1.00	0.00	1.00
Communications Technician I/II	1.00	1.00	1.00	0.00	1.00
Community Service Officer I/II	14.00	19.00	19.00	0.00	19.00
Crime Analyst	1.00	1.00	1.00	0.00	1.00
Forensic Coordinator	1.00	1.00	1.00	0.00	1.00
Jail Service Officer	5.00	5.00	5.00	0.00	5.00
Management Analyst	1.00	0.00	0.00	0.00	0.00
Office Specialist II	1.00	2.00	2.00	0.00	2.00
Office Specialist III	4.00	4.00	4.00	0.00	4.00
Office Specialist IV	1.00	1.00	1.00	0.00	1.00
Police Captain	3.00	3.00	3.00	0.00	3.00
Police Chief	1.00	1.00	1.00	0.00	1.00
Police Lieutenant	7.00	7.00	7.00	0.00	7.00
Police Officer	109.00	111.00	111.00	0.00	111.00
Police Records Manager	1.00	1.00	1.00	0.00	1.00
Police Records Specialist I/II	13.00	15.00	15.00	0.00	15.00
Police Records Supervisor	4.00	4.00	4.00	0.00	4.00
Police Sergeant	29.00	29.00	29.00	0.00	29.00
Police Training Coordinator	1.00	1.00	1.00	0.00	1.00
Public Safety Dispatcher I/II	16.00	16.00	16.00	0.00	16.00
Senior Management Analyst	0.00	1.00	1.00	0.00	1.00
Senior Public Safety Dispatcher	5.00	5.00	5.00	0.00	5.00
Total Positions	221.00	231.00	231.00	0.00	231.00

*The positions above do not include positions that were restored with the \$1.7 million added to the Police Department budget on June 22, 2021. The actual position restorations were identified after the adoption of the budget.

**The positions above represent all funded positions. This excludes the 4.0 Police Officer and 2.0 Police Sergeant positions that were frozen, as approved by the City Council on March 9, 2021 (Agenda Item 5.0 – Report to Council 21-402). This position count, however, includes positions that were restored with the \$1.7 million added to the Police Department budget on June 22, 2021. This funding restored 10.0 FTE to the Police Department, approved by the City Council on January 11, 2022 (Report to Council 22-1595).



Budget Reconciliation

	Positions	Expenditures (All Funds)
Prior Year Budget	231.00	85,444,381
FY 2023/24 Base Budget Adjustments		
Ongoing Cost Adjustments		
Salary and Benefits adjustments		2,798,840
Non-personnel adjustments		244,403
Net decrease to various internal service fund allocations		(129,070)
Total FY 2023/24 Base Budget Adjustments	0.00	2,914,173
Total FY 2023/24 Base Budget	231.00	88,358,554
Service Level Changes		
Departmental Vacancy Factor Increase		(1,580,000)
Reduction in Operating Supplies		(90,000)
Total Service Level Changes	0.00	(1,670,000)
Total FY 2023/24 Proposed Budget	231.00	86,688,554
FY 2024/25 Base Budget Adjustments		
Ongoing Cost Adjustments		
Salary and benefits adjustments		4,403,919
Net increase in various interfund services allocations		195,158
Non-personnel adjustments		98,720
Total FY 2024/25 Base Budget Adjustments	0.00	4,697,797
Total FY 2024/25 Base Budget	231.00	91,386,351
Service Level Changes		
Departmental Vacancy Factor Increase		(90,000)
Total Service Level Changes	0.00	(90,000)
Total FY 2024/25 Proposed Budget	231.00	91,296,351

Service Level Changes

		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Departmental Vacancy Factor Increase	0.00	(1,580,000)	0	(1,670,000)	0

Program: 7742 – Administration

This action increases the Police Department's budgeted vacancy factor (from 3% to 7%) to more closely reflect savings the Department has recognized in prior years. Over the last decade, the Police Department has experienced an average vacancy rate of over 7%, and the current vacancy rate is 12.5%. The higher vacancy rate would apply to the next two fiscal years but would revert to the 3% level on an ongoing basis as the City works to reduce the vacancy rate. While the Department has made efforts in recruitment, the vacancy rate has still remained high.

Performance Impact

The Department is currently operating at an approximate 12% vacancy factor; therefore, no service level impacts result from this proposal, and the budget allows for the pace of department hiring to continue as experienced before the pandemic.

Strategic Pillar:  Manage Strategically Our Workforce Capacity and Resources

		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Reduction in Operating Supplies	0.00	0	(90,000)	0	(90,000)

Program: 7745 – Department Support

















This action reduces the Administrative Services Division operating supplies budget from \$189,425 to \$99,425. This reduction item is specifically for recruitment expenses and aligns more closely to historical spend.

Performance Impact

The Department does not anticipate any impact to recruitment or service delivery with this reduction.














Strategic Pillar:  Manage Strategically Our Workforce Capacity and Resources

Performance and Workload Measures











Administrative Services Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percent of emergency calls answered within ten seconds		97%	97%	90%	90%	90%	90%
Workload Measures							
Amount of grant funds managed		\$2.2 m	\$1.4 m	\$1.2 m	\$1.2 m	\$1.1 m	\$1.1 m
Number of volunteer hours (chaplain, explorer, community)		2,500	736	4,000	1,000	1,000	1,000
Percent of Officers per 1,000 residents (based on 127,134 population)		1.12%	1.17%	1.10%	1.10%	1.25%	1.25%
Percent of civilian professionals allocated per 1,000 residents (based on 127,134 population)		0.55%	0.60%	0.51%	0.47%	0.62%	0.62%
Number of pieces of property booked		5,762	5,907	5,819	6,000	6,000	6,000
Number of items destroyed annually		2,725	1,957	7,699	7,700	7,700	7,700
Residential and business alarm permit registrations		1,335	805	N/A	800	890	975
Business oversight permits managed (bingo, taxi, massage, food truck, pedicab, tow, private, patrol, adult bookstores, pawn shops, firearm dealers, solicitors)		180	149	187	200	220	230
Number of Community Response Team abatements		38	15	48	50	50	50
Number of Run/Hide/Defend training sessions		0	0	62	10	25	25
Number of D.A.R.E. graduations		0	0	30	0	0	0
Number of kids participating in PAL sports (e.g. soccer, flag football, softball, BMX, boxing, fishing, judo, wrestling) – <i>Delete for FY 2023/24</i>		650	310	2,180	500	N/A	N/A
Total calls received in the City's Communications Operations Center		155,775	171,674	138,407	161,000	165,000	169,000
Number of Police Department policies reviewed as a result of the Task Force on Diversity, Equity, and Inclusion input		N/A	N/A	TBD	0	0	0
Number of texts to 911 contacts		172	240	445	200	200	200



Performance and Workload Measures

Field Operations Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Average response time for priority one calls for service (from dispatch to officer arrival)		2:30 min	1:25 min	2:35 min	2:35 min	2:50 min	2:50 min
Workload Measures							
Number of police calls for service		67,211	53,996	111,502	45,000	45,000	45,000
Number of officer self-initiated calls for service		16,519	13,952	23,338	13,000	13,000	13,000
Total number of arrests – juvenile		31	14	134	60	60	60
Total number of arrests – adult		2,441	938	3,590	2,400	2,400	2,400
Number of mental health contacts		415	1,055	457	1,000	1,000	1,000
Number of traffic citations		1,096	1,003	2,179	1,200	2,000	2,000
Number of parking citations		2,249	3,729	2,460	3,800	4,000	4,000
Number of mental health detentions		N/A	459	1,477	350	350	350
Number of crisis intervention cases		N/A	434	431	450	450	450
Number of abandoned vehicle cases		2,568	2,553	3,320	2,600	2,600	2,600
Number of abandoned vehicle tows		218	204	386	250	250	250
Number of traffic collisions		1,228	961	867	1,000	1,000	1,000

Performance and Workload Measures

Investigations Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Number of warrants received		1,642	1,751	960	1,700	1,700	1,700
Number of warrants cleared		1,363	1,386	1,345	1,500	1,500	1,500
Number of missing persons located (in house)		42	139	200	100	115	115
Number of stolen vehicle recoveries (local, plus for other agencies)		698	560	427	320	350	350
Total number of police reports		10,456	11,685	12,461	12,500	12,800	12,800
Number of citizen online police reports taken		3,586	2,842	3,622	3,800	3,800	3,800
Number of domestic violence cases		N/A	307	230	300	300	300
Number of fraud cases ¹ – Modified for FY 2023/24		N/A	203	183	35	N/A	N/A
Special Operations Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Number of stadium events with 20,000+ attendees		0	11	15	19	18	18
Number of operation plans developed city-wide (e.g. city-wide special events, dignitary visits, stockholder meetings, Levi's Stadium)		15	32	26	23	28	28

¹ The Police Department transitioned from the Uniform Crime Reporting System to the National Incident Based Report System (NIBRS). With this transition, crime categories have changed, with NIBRS reporting crimes (e.g. fraud, counterfeiting, forgery) as separate categories, while the previous system reported them as one category. Due to this change in reporting, reasonable targets are not yet known.

Department of Public Works

This page is intentionally left blank.

Department of Public Works Description

The Department of Public Works (DPW) constructs, maintains and improves various components of the City's infrastructure and provides quality, cost-effective, timely services to the residents and businesses of Santa Clara. DPW is responsible for a wide variety of programs throughout the City which include design, construction management, stormwater pollution prevention, inspection and maintenance of City streets, bridges, traffic signal systems, building facilities, street trees, landscaping, sidewalks, and the closed landfill. These responsibilities include the engineering aspects of the sanitary sewer system, which is maintained by the Water and Sewer Utilities Department, and maintenance of storm drain pipelines and trash racks for pump stations which are maintained and operated by the Water and Sewer Utilities Department. The Department oversees the coordination and management support for the Convention Center Maintenance District, which consists of Hyatt Regency, Techmart, and the City, and maintains the grounds of the Franklin Square complex under the Downtown Parking Maintenance District. DPW manages solid waste contracts which provide services such as garbage, yard waste, recycling, street sweeping, household hazardous waste and the annual Clean-Up Campaign. Another significant component of DPW includes overseeing the procurement and maintenance of the City's fleet of vehicles and equipment. The Fleet Management program manages the lifecycle, replacement, procurement, upfit, and disposal of all vehicles and equipment within the City. This program also supports the City's diverse fleet operations, ensuring safe, cost-effective, and sustainable maintenance, repair, fueling, replacement, and compliance of City-owned vehicles and equipment.

Divisions and Services

The Department focus areas include Engineering Services and Operations and Maintenance. Engineering is comprised of five divisions: Administration, Traffic, Design, Land and Property Development, and Field Services. Operations and Maintenance is comprised of three divisions: Facility Services, Streets, and Fleet Management. The Streets Division is further subdivided to operate in the following areas: Administration, Traffic Maintenance, Street Maintenance (streets and storm drains), Environmental Programs, Solid Waste, Landscape, and Code Enforcement. The Facility Services Division manages the Convention Center Maintenance District, the Street Division manages the Downtown Parking Maintenance District, and the Fleet Management Division manages the Vehicle Replacement and Fleet Operations Funds.

Engineering - Administration Division Mission	Provide administrative support services which meet the needs of the division, departments, and community.
Division Objectives	<p>Manage and oversee all Department activities, represent the Department at the City Council meetings, and represent the City at various agency meetings.</p> <p>Develop and manage an efficient, cost effective department operating budget and capital improvement program (CIP) budget.</p> <p>Provide management and assistance in the development and delivery of the City's CIP.</p>



**Engineering – Traffic
Division Mission**

Provide safe and efficient movement of pedestrian, bicycle, transit, and vehicular traffic.

Enhance safety and mobility for pedestrians and bicyclists through implementation of new or improved facilities such as bike lanes, pedestrian beacons, and intersection improvements consistent with the City's Bicycle Plan and Pedestrian Master Plan.

Enhance safety, increase operational efficiency, and reduce delays for all users of the City roadway system through implementation of improvements, innovative technologies, and engineering designs.

Division Objectives

Maintain, operate, and upgrade traffic infrastructure in an efficient and timely manner.

Apply for and administer transportation grants to augment the City's finances for improving traffic, pedestrian, and bicycle-related infrastructure.

Review proposed private development projects for consistency with City transportation policies and the California Environmental Quality Act (CEQA).

Review, investigate, and respond to resident and business inquiries/complaints regarding City traffic and roadway parking operations.

**Engineering – Design
Division Mission**

Provide high quality services to the community through efficient and effective delivery of capital improvement projects and management of the City's infrastructure.

Manage infrastructure and the capital improvement project programming for pavement management, storm drain facilities, and capacity improvements for the sanitary sewer system.

Provide capital project administration, engineering, and management services for a variety of projects including transportation, roadways, pedestrian and bicycle, storm drains, sanitary sewers, buildings, libraries, and parks to implement the City's capital improvement program.

Division Objectives

Coordinate the Community Rating System (CRS) program with Federal Emergency Management Agency (FEMA) to maintain the City's Class 7 rating. This provides a reduction in flood insurance premiums for the property owners with flood insurance in the City of Santa Clara.

Maintain engineering design standard documents and maintain infrastructure record information such as as-builts and base maps.

**Engineering – Land
and Property
Development
Division Mission**

Assist customers and the community by providing effective and efficient services during project development and public improvement design phases.

Facilitate the issuance of timely reviews and permits for residents, developers, and utilities in compliance with land use and development standards.

Division Objectives

Provide developers, residents and permittees with information related to fees, general engineering, City utilities, property lines and design standards.

Develop new procedures to streamline processes and use new technology to facilitate current procedures.



Engineering – Field Services Division Mission	Serve all City departments and the community through effective and efficient construction management, construction inspection, materials testing, surveying, and administration services of public improvement projects.
Division Objectives	<p>Provide effective construction management, construction inspection, materials testing, surveying, and administration services for capital improvement projects, such as transportation, roadways, pedestrian and bicycle, sanitary sewers, storm drains, buildings, libraries, and parks.</p> <p>Deliver effective construction inspection, material testing, surveying and administration services for private developments that involve the City's infrastructure.</p>
Facility Services Division Mission	Perform cost effective repair and maintenance procedures to ensure City-owned buildings remain safe, attractive, and energy efficient. Provide a safe, clean, and well-maintained public space in support of the Santa Clara Convention Center Maintenance District ensuring a safe environment while enhancing the property value.
Division Objectives	<p>Maintain approximately 1,100,000 square feet of City-owned buildings in a safe, functional, and clean condition for all users. Oversee vendor contract to provide janitorial services to most City buildings and numerous service contracts to support the Facilities repairs and maintenance operations.</p> <p>Provide oversight of the Convention Center Maintenance District for the upkeep of equipment, signs, landscaping, pavement, concrete curb, gutter and sidewalks, service roads, pedestrian bridges, including the garage at the Santa Clara Convention Center complex and the Tasman Parking Garage.</p>
Streets Division Mission	Maintain streets, sidewalks, signs, markings, storm drain pipeline infrastructure, trees, and other landscape in the public right-of-way. Implement reliable, cost-effective solid waste programs that maximize landfill diversion.
Division Objectives	<p>Repair street potholes and sidewalk tripping hazards.</p> <p>Clean and maintain the storm drain collection system and implement the City's Urban Run-off Pollution Prevention Program.</p> <p>Maintain landscapes in the public right-of-way and remove graffiti.</p> <p>Prune City trees and plant new trees to replenish the City forest.</p> <p>Maintain traffic signs, striping, curb markings, and pavement messages.</p> <p>Repair damaged City-owned parking lots and walkways.</p> <p>Provide regular street sweeping services.</p> <p>Implement solid waste collection and disposal diversion programs to achieve cost recovery and maintain compliance with regulations.</p> <p>Manage solid waste collection contractors to ensure a high level of customer service and that agreement provisions are being followed.</p> <p>Complete the annual Clean-Up Campaign swiftly and safely.</p>



**Fleet Management
Division Mission**

Provide and maintain safe and reliable vehicles and equipment essential for the delivery of City services. Optimize fleet services through timely and cost-effective procurement, compliance, maintenance, fueling, and disposal services.

Division Objectives

Implement the City's Green Fleet Policy.

Monitor the City's fleet usage and remove under-utilized vehicles and unfunded retained assets from the fleet.

Perform manufacturer's recommended preventative maintenance on fleet assets to increase reliability and reduce costs associated with repairs.

Procure equipment and vehicles identified for replacement.

Collaborate with departments on replacement equipment and vehicles before each purchase.

Evaluate alternative fuel options before purchasing new vehicles or equipment.

Ensure purchases of vehicles and equipment meet the highest air quality standards set by California Air Resources Board.

Significant Accomplishments

Administration:

- Managed Council priorities and reprioritized department workload to accomplish tasks while maintaining significantly lower staffing levels from previous budget reductions to help resolve the City's budget deficit.
- Prepared numerous Council reports and presentations to support Council decision making and City priorities.
- Managed department budgets, staffing, work plans and performance measures to ensure work was being completed within approved budgets.
- Provided customer service support to residents to ensure all inquiries, work requests, and information requests were being addressed.
- Completed the FY 2021/22 & FY 2022/2023 Biennial Operating Budget and the FY 2022/23 & FY 2023/24 Biennial Capital Improvement Program Budget.
- Completed updates to the Municipal Fee Schedule for FY 2023/24.
- Coordinated and managed the distribution of any COVID-19 related safety supplies as requested (reusable and disposable face masks, hand sanitizer, sanitizing wipes, etc.).

Design:

- Completed design work for the following capital improvement program projects/studies: 2021 Annual Street Maintenance and Rehabilitation - Washington Street Storm Drain Improvement Project; 2022 Annual Street Maintenance and Rehabilitation; 2023 Annual Street Maintenance and Rehabilitation; Annual Curb Ramp Installation 2022; Annual Curb Ramp Installation 2023; Public Right-of-Way ADA Improvements Construction Contract Packages 1, 2, 3 & 4; High-Intensity Activated Beacon on Scott and Harrison; Lick Mill-East River Parkway Crosswalk Improvement, Santa Clara School Access Improvements; Public Parking Lot Pavement Condition Assessment; Lafayette Street Underpass at Subway Storm Drain Pump Station Evaluation; Sanitary Sewer Hydraulic Model support – Patrick Henry Specific Plan; Calabazas Creek Sanitary Sewer Deficiency Study/Evaluation; Northside & Rabello Pump Station Firm Capacity Evaluation; Sanitary Sewer Condition Assessment Repair Package 1; Sanitary Sewer I/I Evaluation, Citywide Data Center Sewer Discharge Study; Citywide Stationary Standby Emergency Generators Replacement - Phase 2; Fire Station 2 Training Tower Repair Assessment; Northside Branch Library Photovoltaics System Installation; Utility Corporation Yard Field Service Center Renovation; Raymond G. Gamma Dog Park Improvements; Harris-Lass Museum Repairs; Montague Park Rehabilitation; Fairway Glen Park Restroom Construction Project; Magical Bridge Play Ground Improvement; and Westwood Oak Playground Improvement Project.
- Managed, maintained, and provided Sanitary Sewer Hydraulic Modeling support services for approximately 20 Land Development Projects.
- Implementation of Pavement Moratorium requirements, prepared five-year pavement program with list of streets, coordinated the five-year program with all utilities in the City, and made the information available on City's website.
- FEMA's CRS program: Coordinated with relevant City departments during the annual recertification process and provided Elevation Certificate & Letter of Map Amendment (LOMA) assistance to permit center & planning staff on an ongoing/as needed basis.
- Effectively implemented and coordinated use of BidSync for Request for Proposals and Bids and online bid submittal.
- Provided core team support through active participation for the continued implementation of the City's CIP Management Database, e-Builder.

Field Services:

- Received a Project of the Year Award from the American Public Works Association for the Reed & Grant Sports Park Project.
- Received a Project of the Year Award from the American Public Works Association for the Raymond G. Gamma Dog Park Improvements Project.
- Completed coordination, inspection, and activation of traffic signals at Juliette Lane and Mission College Boulevard, Corvin Drive and Kifer Road, and Olcott Street and Scott Boulevard.
- Completed construction of the following capital improvement projects: Scott Boulevard Traffic Signal Interconnect & Coordination; Lick Mill - E. River Parkway Crosswalk Improvement; Bicycle Lane Improvement on Pruneridge Avenue at Lawrence; 2021 Annual Street Maintenance & Rehabilitation; Harris Lass Museum Repairs; Santa Clara Access School Improvement Project; Public Right-of-Way ADA Improvements Packages 1 & 2; 2022 Annual Street Maintenance and Rehabilitation Project; 2022 ADA Upgrade project; Montague Park Rehabilitation; Laurelwood Pump Station Rehabilitation Project; Mission Branch Library Gazebo Project; and Citywide Generator Project Phase 1.
- Provided effective construction management, construction inspection, surveying, materials testing, and administration services for approximately 51 capital improvement projects and approximately 948 encroachment permits.

Land and Property Development:

- Issued approximately 930 encroachment permits over the last two fiscal years. Major encroachment permits for some notable development projects include: 2323/2343 Calle Del Mundo (SummerHill Apartment - Tasman East Specific Area Plan); 2300 Calle Del Luna (Related - Tasman East Specific Area Plan); 2230 Calle De Luna (Holland - Tasman East Specific Area Plan); 2240 Calle de Luna/5123 Calle Del Sol (Ensemble - Tasman East Specific Area Plan); 3312 Kifer/2904 Corvin (Allied Housing - Lawrence Station Area Plan); 1205 Coleman Avenue (Hunter Storm – Gateway Crossings); 2780 El Camino Real – complete package (KB Homes - Moonlite Lanes Residential); 1200 Memorex (Data Center); 2905 Stender Way (Data Center); California High Speed Rail (SF-SJ) Environmental Impact Report/Environmental Impact Statement; Caltrans US 101 / De La Cruz Street Improvement; 2305 Mission College Blvd (Data Center); 737 Mathew (Data Center); 651 Walsh Avenue (Data Center); and 2330 Monroe Street (Apartments).
- Processed approximately 800 development site clearances for building permits and collected fees.
- Processed 10 subdivision maps and approximately 130 land title documents which includes processing, reviewing, approving, and recording the title documents.
- Continued to lead and support private development throughout the City including large developments such as Related Santa Clara, Tasman East, Patrick Henry Drive, Freedom Circle, Lawrence Station, etc.
- Provided dedicated support for the high-priority Related Santa Clara project by:
 - Leading, coordinating, and facilitating the relocation of third-party utilities to support the City's vacation of Centennial Boulevard and a portion of Stars and Stripes Drive.
 - Providing technical support for the City's approval of the Vesting Tentative Subdivision Map for the Development Area Plan (DAP)1 for the project.
 - Actively coordinating and providing technical review of the DAP 1 public improvement package for streets and utilities improvements.
 - Participating in weekly project coordination meetings with the Related Santa Clara team.
 - Providing project management and technical engineering support to the City Manager's Priority Project Manager for the project.

Traffic:

- Completed coordination, construction, and inspection of bicycle lane improvements on Monroe Street (Chromite Drive to San Tomas Expressway) and Lafayette Street (Calle de Luna to Agnew Road), Walsh Avenue (Bowers Road to San Tomas Expressway), The Alameda (Market Street to El Camino Real), Great America Way (Lafayette Street to Great America Parkway), Mission College Boulevard (Freedom Circle West to Montague Expressway), and Scott Boulevard (Central Expressway to Olcott Street).
- Completed a two-year community outreach and study process for the Pruneridge Avenue Complete Streets Plan. On August 30, 2022 City Council adopted the Pruneridge Avenue Complete Streets Plan and selected a preferred design concept for staff to pursue outside funding opportunities such as grants, etc.
- Obtained \$1.9 million of regional grant funding for Citywide Traffic Signal LED Lighting Upgrades; High Priority Curb Ramps; Bike Safety Equipment; Bike Corridor Planning Studies for Walsh Avenue, Monroe Street, and De La Cruz Boulevard; Mission College Class IV Bike Lane Implementation; Pruneridge Avenue Signal Timing; Vision Zero Study; and Multijurisdictional Intelligent Transportation Improvements.
- In partnership with the City of Cupertino, obtained \$8.5 million in State Transit and Intercity Rail Capital grant funding to expand Cupertino's on-demand shuttle program into Santa Clara over the next four years.
- In 2021, secured Federal Community Project funding of \$2.75 million for the De La Cruz Boulevard, Lick Mill Boulevard, and Scott Boulevard Bicycle Projects submitted by Congressman Ro Khanna.
- Received, investigated, and responded to 692 traffic requests from the public during FY 2021/22.
- Supported traffic operations for 11 events at Levi's Stadium in FY 2021/22.

Facility Services:

- Worked with Santa Clara County on obtaining a Historical Grant for the Harris Lass property improvements project.
- Processed approximately 1800 facility work orders for internal City customers and facilities with 95% satisfaction rate.
- Completed the Facility Capital Improvement Project for Harris Lass Historic House Tank House and Porch Repair.
- Worked closely with the City's Historical Advisor on a five-year plan to improve maintenance and repair on the Berryessa Adobe, Headen Inman, Jamison Brown, Morse Mansion, and Harris Lass Historic Properties.
- Provided core team support through active participation for the continued implementation of the City's safety monthly training program, Target Solutions which also included topics on annual specific training and stress related trainings.
- Provided oversight and management at Maintenance District #183 Santa Clara Convention Center Complex. Goals include Water Management and Turf Conversion in addition to working with Silicon Valley Power on eventual EV Charger Installation throughout the site.
- Supported garage operations at Tasman Garage to support Convention Center and Levi's Stadium Events.
- Supported Parks and Recreation Department with major repairs to their H.V.A.C. systems and fire alarm systems at Senior Center and Community Recreation Center in addition to assisting with the turnover of the Youth Activity Center to the Santa Clara Unified School District.
- Supported 35 critical City facilities with emergency generator preventative maintenance and monthly operational inspections.

Streets:

- Maintained Tree City USA certification for the 36th consecutive year and received the Growth Award for 2021.
- Removed turf and installed water-wise landscaping at the City Hall complex using Valley Water rebate funds.
- Completed and implemented enterprise asset management applications for City Street Trees, Parkways & Boulevards Trees, Sidewalk, Curb & Gutters, Storm Drain, and Traffic Divisions.

- Completed contamination minimization lid-flip audits within all exclusive franchise hauler routes as required by SB 1383.
- Updated the Santa Clara City Code chapters pertaining to Trees and Shrubs. Developed and implemented a grid system to schedule City trees for preventative maintenance pruning.
- Developed a compost give-away program for residents and businesses.
- Installed over 500 new full trash capture devices.
- Completed a solid waste rate study that equitably calculated each rate based on the cost of service.
- Completed the 2022 Cleanup Campaign on schedule and studied alternatives to current CUC format.
- Migrated stormwater related compliance inspections over to Accela.
- Completed audits of non-exclusive franchise hauler quarterly franchise fee payments and compliance with mandatory commercial recycling and organics recycling requirements.

Fleet Operations:

- Utilized renewable diesel exclusively in the City's diesel fleet in FY 2021/22.
- Obtained "Blue Seal of Excellence" recognition from National Institute of Automotive Service Excellence (ASE) in 2021 and 2022.
- Placed 28 new vehicles in service in FY 2021/22 of which 15 were Electric or Hybrid.
- Retired and sold at auction 31 fleet assets yielding approximately \$200,000 in revenue for FY 2021/22.
- Maintained approximately 760 fleet assets with a 90% Preventive Maintenance (PM) Compliance rate.
- Updated City Manager's Directive 45 for Vehicle and Equipment Accident Review.

Significant Objectives

Design:

- Provide Infrastructure Management Services for the storm drain system and pavement maintenance program, and engineering planning for the sanitary sewer system.
- Provide effective capital improvement project management for a wide variety of projects city-wide including: Annual Street Maintenance and Rehabilitation Program Management and related projects; Annual ADA Curb Ramps; Bassett and Laurelwood Bike Lanes; MCB/GAP Intersection Improvement Project; Monroe Street-Los Padres Boulevard Traffic Signal Modification; Lick Mill Boulevard Pedestrian Beacons Upgrade; GAP and Tasman Drive Traffic Signal Interconnect; Santa Clara Citywide ITS Project 2; Creek Trail Pavement Maintenance and Rehabilitation Project - Package 1; Miscellaneous Asphalt and Concrete Maintenance and Repairs Project - Package A; Bowers Avenue Storm Drain Pump Station Improvement; Storm Drain Slide Gate Rehabilitation; Sanitary Sewer Master Plan Update 2023; Annual Sanitary Sewer Repairs and Sanitary Sewer Capacity improvements; Stationary Standby Generator Replacement Phase 3; Utilities Corporation Yard Renovation; Bowers Park Building Improvements and Parking Lot Rehabilitation; Sarah E. Fox Memorial Mausoleum Roof Replacement; Central Park Master Plan - New Entrance, Access and Parking Improvements; Westwood Oaks Park Playground Rehabilitation; and Parks Service Center Roof Replacement.
- Provide Sanitary Sewer Hydraulic Modeling Support for Land Development Projects.

Field Services:

- Provide effective construction management, construction inspection, surveying, materials testing, and administration services for capital improvement projects and private development projects that construct City infrastructure.
- Provide on-time and on-schedule completion of projects for transportation, roadways, parks, buildings, traffic signals,

pedestrian-and bicycle improvements, sanitary sewer and storm drain rehabilitation, and other capital projects.

- Provide construction inspection and coordination for private development-built City infrastructure, such as: 575 Benton Street Mixed Use; 1850 El Camino Real Residential; 3200 Scott Boulevard Office; 3607 Kifer Road Office; Mission Park (2305 Mission College Boulevard); 1900 Warburton Avenue Residential; 1834 Worthington Circle- Agrihood Mix use Development; 641 Walsh Ave. Data Center; 3045 Stender Way Data Center; Stevens Creek Boulevard Office Campus (5403/5405 Stevens Creek Boulevard); Gateway Crossing (Coleman); Gateway Village (3700 El Camino Real); Lawrence Station - Kifer Road Multi-Family (Toll Brothers); Lawson Lane Office; Santa Clara Square Residential; Summerhill Lawrence Station (3505 Kifer Road); 3311 Kifer Road (Cahill Contractors); 1100 Memorex Drive - New Data Center; 3035 El Camino Real- Mixed use; Westfield Valley Fair Expansion; Tasman East – 2200 Calle De Luna Residential; Tasman East – 2300 Calle De Luna Mixed Use; 2302 Calle Del Mundo Mixed Use; 2343 Calle Del Mundo Residential; and 5123 Calle Del Sol Mixed Use Vantage Data Center II.

Land and Property Development:

- Facilitate significant private development projects by providing effective and efficient processing of site clearances, subdivision maps, land title documents, public improvement plan checks, and development fee collection. Some significant projects include Lawrence Station Area Plan at Kifer Road, Lawrence Expressway and Central Expressway; Tasman East Specific Area Plan at Lafayette Street, Calle del Mundo, Calle de Luna, and Calle del Sol; Related Santa Clara (formerly City Place) at Tasman Drive, Lafayette Street and Great America Parkway (on City's closed golf course); Patrick Henry Specific Plan at Patrick Henry Drive, Great America Parkway and Mission College Boulevard.
- Upcoming or in process notable development projects include: 2200 Calle Del Luna (Holland - Tasman East Specific Area Plan); 2232 Calle Del Mundo & 2225 Calle De Luna (Greystar – Tasman East Specific Area Plan); 2263/2273 Calle Del Mundo (Ensemble - Tasman East Specific Area Plan); 3517 Ryder Street (Westlake Urban – Lawrence Station Area Plan); 3335 Kifer Road Street (Allied Housing – Lawrence Station Area Plan); 2055 Lafayette Street (Data Center); 3710 El Camino Real (Gateway Village Phase 2); 2600 De La Cruz Boulevard (Data Center); 2805 Mission College Boulevard (Data Center); VTA – BART Phase II; Developments within the Lawrence Station Area Plan; Developments within the Tasman East Specific Area Plan; Developments within the Patrick Henry Drive Specific Area Plan; and Related Santa Clara (City Place – Related Project).

Traffic:

- Complete the following Traffic Engineering Projects: Creek Trail Expansion Master Plan; Traffic Signal Management Software Upgrade/Replacement and Adaptive Signal System; Traffic Pre-emptors; Changeable Message Signs; 15 miles per hour School Zones; and Travel Demand Model Update.
- Make significant progress on 2016 Measure B funded bike corridor planning studies for Walsh Avenue, Monroe Street, and De La Cruz Boulevard.
- Make significant progress on Federal Community Project funded bike corridor planning studies for De La Cruz Boulevard, Lick Mill Boulevard, and Scott Boulevard.
- Work collaboratively and make progress on the joint jurisdictional Stevens Creek Visioning Study with the City of San Jose, City of Cupertino, County of Santa Clara, and Valley Transportation Authority.
- Complete the Uncontrolled Crosswalks Project, Lick Mill Blvd Pedestrian Beacons Upgrade Project; Lafayette Class IV Bicycle Lanes Project, and Bassett/Laurelwood Bicycle Lane Project.
- Continue to operate an annual Shared Mobility Permit Program for the City.
- Launch and operate an on-demand shuttle program with the City of Cupertino.
- Begin work on a Vision Zero Study.
- Continue to implement recommendations in the approved Bicycle Plan Update and Pedestrian Master Plan.
- Continue to support the Community Development Department with traffic engineering and traffic impact analysis support (i.e., Level of Service and Vehicle Miles Travelled Analysis) for proposed development projects and specific and precise plans.

- Continue to make progress responding to traffic calming and traffic safety related public inquiries.

Facility Services:

- Provide outstanding service to customers, which includes all types of requests such as janitorial repair needs and new infrastructure requirements with the objective to respond to every customer in a timely manner on projects and repairs.
- Provide upkeep and repairs to the Tasman Parking Garage.
- Continue with regular maintenance and improvements to the Convention Center Maintenance District grounds, surfaces, and garage structure and begin planning and designing for parking lot repairs and maintenance. Provide building and mechanical maintenance services for all City buildings.
- Operate and maintain the City's elevators.
- Assist the City Manager's Office with maintenance at properties such as Morse Mansion, Gianera House, and Commerce & Peddlers Plaza.
- Maintain preventative maintenance compliance with manufacturers recommended intervals on Facilities equipment which includes replacement of air filters on a scheduled basis.

Streets:

- Update the Santa Clara City Code chapter pertaining Storm Drains.
- Maintain recently developed asset management systems for traffic signs and storm drain infrastructure.
- Enter into an agreement to purchase electricity derived from organic material to comply with SB 1383 procurement requirements. Inventory Landscape Maintenance Division assets to facilitate the future implementation of asset management system use to more effectively schedule and track maintenance activities.
- Ensure reliable garbage, yard trimmings, and residential recycling services.
- Enter into new agreements for landfill disposal and composting services.
- Continue to implement organic waste reduction programs to reduce methane emissions from landfills and comply with state legislation.

Fleet Operations:

- Maintain preventative maintenance compliance with manufacturers recommended intervals.
- Continue work with City departments engaged in fleet electrification activity by supporting electric vehicle (EV) acquisitions, expanding EV charging infrastructure, and seeking related funding opportunities.
- Continue to monitor and report evolving regulatory requirements for medium and heavy-duty fleets required by California Air Resources Board that impacts City compliance, services, and budgets.

Budget Highlights

The Public Works Budget includes the following changes:

- Position shifts of Environmental Program staff and Compliance Manager (shift partial positions to Solid Waste).
- Reduction of Vehicle Amortization and O&M to remove 17 underutilized vehicles/equipment.
- Sale of underutilized vehicles/equipment.
- Increase to the Storm Drain contractual services budget that is offset by revenues for development planning and building application review.



Public Works Department

119.50 FTEs*

Engineering –Administration

0.75 Director of Public Works
1.00 Assistant Director of Pub Works/City Engineer
1.00 Management Analyst
0.50 Office Specialist II
1.00 Office Specialist III
1.00 Office Specialist IV

5.25 Total Engineering-Administration FTE

Engineering – Design

2.00 Associate Engineer (Civil)
1.00 Principal Engineer
4.00 Senior Engineer (Civil)

7.00 Total Engineering-Design FTE

Engineering – Field Services

1.00 Account Clerk II
1.00 Chief of Party
1.00 Principal Engineer
4.00 Public Works Inspector
1.00 Senior Engineer (Civil)
1.00 Senior Engineering Aide

9.00 Total Engineering-Field Services FTE

**Engineering – Land and Property
Development**

4.00 Associate Engineer (Civil)
1.00 Principal Engineer/City Surveyor
1.00 Senior Engineer (Civil)
1.00 Senior Engineering Aide

7.00 Total Engineering-Land and Prop Dev FTE

Engineering – Traffic

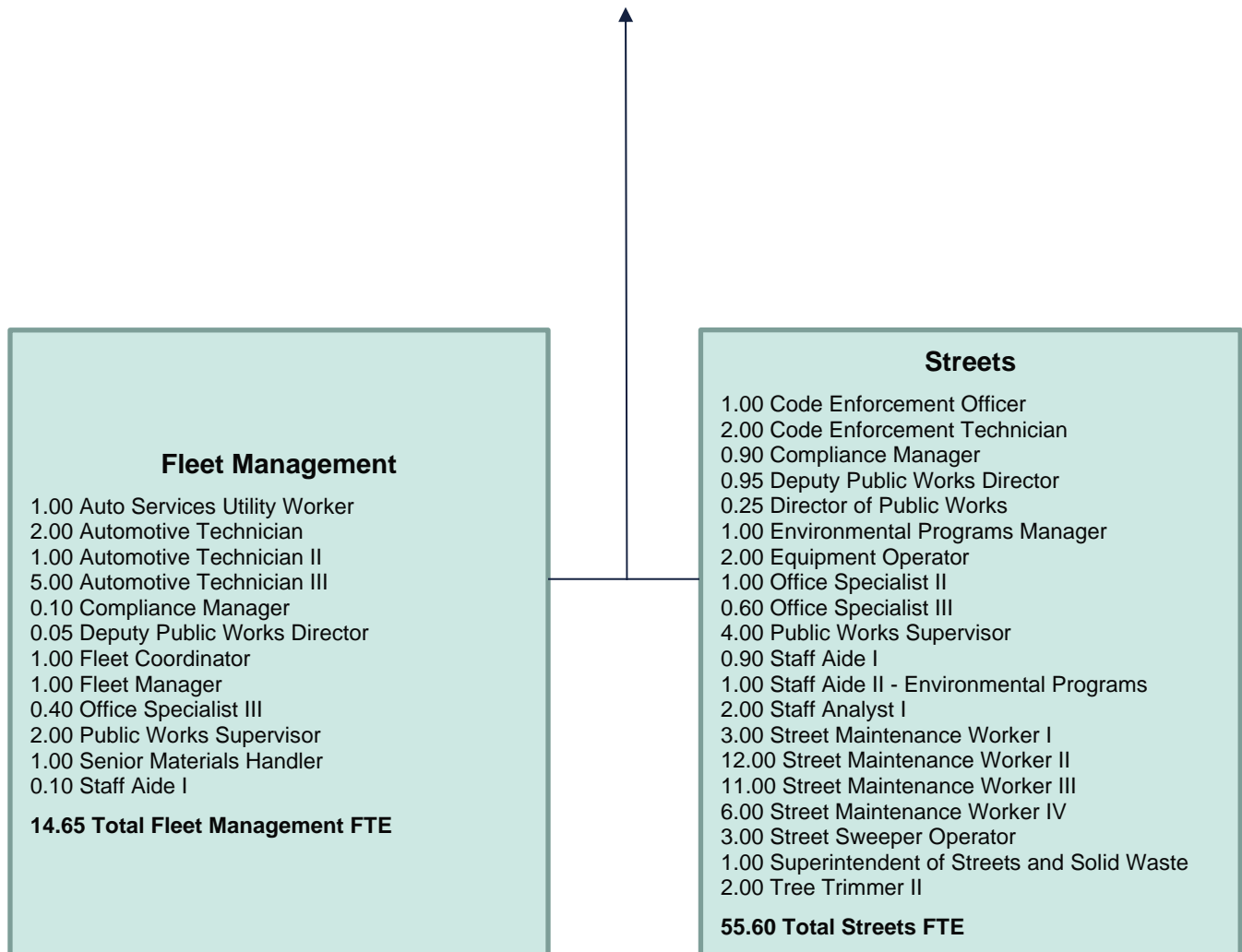
3.00 Associate Engineer (Civil)
1.00 Principal Planner
2.00 Senior Engineer (Civil)
1.00 Traffic Operations Engineer
1.00 Transportation Manager

8.00 Total Engineering-Traffic FTE

Facility Services

1.00 Building Maintenance Manager
5.00 Building Maintenance Worker
3.00 Mechanical Maintenance Worker
1.00 Office Specialist II
2.00 Public Works Supervisor
1.00 Utility Worker

13.00 Total Facility Services FTE



**The positions above represent all funded positions. This excludes the 1.0 Associate Engineer, 1.0 Assistant Engineer (Civil), and 1.0 Automotive Technician positions that were frozen, as approved by the City Council on March 9, 2021 (Agenda Item 5.0 – Report to Council 21-402). This also excludes 5.0 vacant FTEs (1.0 Street Maintenance Worker IV, 3.0 Street Maintenance Worker III, and 1.0 Street Maintenance Worker I/II) that were frozen, as approved by the City Council on June 22, 2021 (Agenda Item 5.0 – Report to Council 21-526). Lastly, this excludes 4.0 FTEs that were originally funded by Related but are frozen beginning FY 2023/24 based on discussions with Related: 1.0 Associate Engineer (Civil), 1.0 Principal Engineer, 1.0 Public Works Inspector, and 1.0 Senior Engineer (Civil).*



Budget Summary

		FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program							
Facility Services Division							
2222	Maintenance Repair	2,416,676	2,547,456	2,614,039	2.6%	2,718,967	4.0%
2223	Janitorial	1,284,593	1,478,391	1,766,903	19.5%	1,836,667	3.9%
2961	Convention Center Maintenance District	2,640,583	2,720,819	2,724,502	0.1%	2,579,502	(5.3%)
Total Facility Services Division		6,341,852	6,746,666	7,105,444	5.3%	7,135,136	0.4%
Engineering-Administration Division							
4411	General Services	1,000,954	437,522	449,473	2.7%	472,914	5.2%
4412	Developer Projects	405,785	421,701	434,748	3.1%	457,830	5.3%
4413	Capital Improvement Projects	535,850	560,902	669,003	19.3%	697,146	4.2%
Total Engineering-Administration Division		1,942,589	1,420,125	1,553,224	9.4%	1,627,890	4.8%
Engineering-Design Division							
4441	General Services	253,543	270,164	254,859	(5.7%)	272,830	7.1%
4442	Developer Projects	172,998	188,893	189,886	0.5%	205,454	8.2%
4443	Capital Improvement Projects	7,508,844	7,072,892	8,757,190	23.8%	6,780,270	(22.6%)
Total Engineering-Design Division		7,935,385	7,531,949	9,201,935	22.2%	7,258,554	(21.1%)
Engineering-Field Services Division							
4461	General Services	407,851	310,239	324,992	4.8%	337,808	3.9%
4462	Developer Projects	675,717	728,044	757,447	4.0%	794,220	4.9%
4463	Capital Improvement Projects	1,304,278	1,345,190	1,392,589	3.5%	1,447,931	4.0%
Total Engineering-Field Services Division		2,387,846	2,383,473	2,475,028	3.8%	2,579,959	4.2%
Engineering-Land and Property Development Division							
4451	General Services	276,324	259,331	297,162	14.6%	311,985	5.0%
4452	Development Support	2,335,790	2,543,310	1,586,589	(37.6%)	1,680,714	5.9%
Total Engineering-Land and Property Development Division		2,612,114	2,802,641	1,883,751	(32.8%)	1,992,699	5.8%



Budget Summary

		FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program							
Engineering-Traffic Division							
4431	General Services	479,734	471,058	438,508	(6.9%)	469,446	7.1%
4432	Developer Projects	612,681	658,498	656,746	(0.3%)	703,298	7.1%
4433	Capital Improvement Projects	3,216,333	2,772,467	1,283,761	(53.7%)	2,228,188	73.6%
4434	Traffic Signal Management	952,191	1,167,312	1,181,424	1.2%	1,221,834	3.4%
4435	Traffic Striping and Signing	144,072	150,485	150,007	(0.3%)	161,114	7.4%
Total Engineering-Traffic Division		5,405,011	5,219,820	3,710,446	(28.9%)	4,783,880	28.9%
Streets Division							
2911	Street Maintenance	3,629,648	3,608,040	3,930,894	8.9%	4,094,805	4.2%
2921	Storm System Maintenance	1,309,728	1,571,873	1,062,396	(32.4%)	1,107,845	4.3%
2924	Non-Point Source	1,325,424	1,688,573	1,823,886	8.0%	1,929,511	5.8%
2931	Garbage Collection	22,902,081	26,441,010	28,105,648	6.3%	29,148,157	3.7%
2932	Clean Green Collection	2,423,078	3,104,125	3,261,403	5.1%	3,391,711	4.0%
2933	Clean-Up Campaign	2,263,173	2,524,675	2,580,303	2.2%	2,659,209	3.1%
2934	Residential Recycling	3,703,388	4,048,648	4,384,692	8.3%	4,564,105	4.1%
2935	Street Sweeping	999,864	960,225	1,048,168	9.2%	1,087,928	3.8%
2936	Household Hazardous Waste	40,714	46,776	0	(100.0%)	0	N/A
2941	Parking District Maintenance	128,485	143,280	280,310	95.6%	295,483	5.4%
2951	Landscape Maintenance	3,502,400	4,009,320	4,218,698	5.2%	4,404,467	4.4%
2952	Street Tree Program	1,437,077	1,300,051	1,350,195	3.9%	1,395,849	3.4%
2971	Traffic Maintenance	1,100,500	1,073,019	1,074,742	0.2%	1,106,174	2.9%
Total Streets Division		44,765,560	50,519,615	53,121,335	5.1%	55,185,244	3.9%
Fleet Management Division							
2111	Fleet Acquisitions	3,038,474	3,444,961	2,789,600	(19.0%)	4,711,000	68.9%
2123	Fleet Operations	4,795,145	5,661,850	5,462,441	(3.5%)	5,651,174	3.5%
Total Fleet Management Division		7,833,619	9,106,811	8,252,041	(9.4%)	10,362,174	25.6%
Total by Division / Program		79,223,976	85,731,100	87,303,204	1.8%	90,925,536	4.1%



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Fund						
General Fund	23,822,709	24,864,540	25,599,934	3.0%	26,728,107	4.4%
Bridge District #2 Fund	80,000	80,000	80,000	0.0%	80,000	0.0%
Community Facilities District No. 2019-1 (Lawrence Station) Fund	0	0	37,221	0.0%	38,337	3.0%
Convention Center Maintenance District Fund	1,877,763	1,878,119	1,919,119	2.2%	1,774,119	(7.6%)
Developer Traffic Payments Fund	0	1,108,500	0	(100.0%)	0	0.0%
Downtown Parking Maintenance District Fund	125,975	137,521	136,990	(0.4%)	144,609	5.6%
Fleet Operations Fund	4,795,145	5,661,850	5,462,441	(3.5%)	5,651,174	3.5%
Gas Tax Fund	3,946,580	2,985,000	4,650,000	55.8%	2,550,000	(45.2%)
Public Works Capital Projects Management Fund	3,754,800	3,941,683	4,111,656	4.3%	4,362,916	6.1%
Related Santa Clara Developer Fund	788,420	933,187	0	(100.0%)	0	0.0%
Road Repair and Accountability Act of 2017 SB1 Fund	2,100,000	2,500,000	2,500,000	0.0%	2,500,000	0.0%
Solid Waste Fund	32,300,732	37,124,239	39,316,243	5.9%	40,785,274	3.7%
Traffic Mitigation Fund	2,593,378	1,071,500	700,000	(34.7%)	1,600,000	128.6%
Vehicle Replacement Fund	3,038,474	3,444,961	2,789,600	(19.0%)	4,711,000	68.9%
Total by Fund	79,223,976	85,731,100	87,303,204	1.8%	90,925,536	4.1%



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Category						
Salary and Benefits						
Salary	13,657,700	14,471,459	14,696,435	1.6%	15,492,862	5.4%
As-Needed	272,370	141,025	149,461	6.0%	153,033	2.4%
Overtime	228,090	242,984	251,489	3.5%	260,289	3.5%
Retirement	4,927,979	5,556,072	5,120,842	(7.8%)	5,420,881	5.9%
Health Allocation	1,503,997	1,835,380	2,038,104	11.0%	2,160,439	6.0%
Medicare	211,279	230,227	227,334	(1.3%)	239,207	5.2%
Social Security	812,232	953,428	982,850	3.1%	1,016,914	3.5%
Other Benefits	631,379	653,701	699,006	6.9%	745,967	6.7%
Total Salary and Benefits	22,245,026	24,084,276	24,165,521	0.3%	25,489,592	5.5%
Non-Personnel						
Materials/Services/Supplies	10,010,026	12,883,587	13,493,757	4.7%	13,648,979	1.2%
Resource/Production	26,389,571	29,764,785	31,502,632	5.8%	32,762,738	4.0%
Interfund Services	5,455,736	5,746,049	5,103,772	(11.2%)	5,208,010	2.0%
Franchise Tax	683,376	721,621	841,888	16.7%	875,563	4.0%
Capital Outlay	2,163,979	2,484,961	2,640,000	6.2%	4,711,000	78.4%
Other Expenditures	756,990	0	0	0.0%	0	0.0%
Transfer to Other Funds	11,519,272	10,045,821	9,555,634	(4.9%)	8,229,654	(13.9%)
Total Non-Personnel	56,978,950	61,646,824	63,137,683	2.4%	65,435,944	3.6%
Total by Category	79,223,976	85,731,100	87,303,204	1.8%	90,925,536	4.1%



Position Summary

	FY 2021/22 Adopted*	FY 2022/23 Adopted*	FY 2023/24 Proposed*	FY 2023/24 Change	FY 2024/25 Proposed*
Positions by Division / Program					
Facility Services Division					
2222 Maintenance Repair	11.62	11.62	11.62	0.00	11.62
2223 Janitorial	1.28	1.28	1.28	0.00	1.28
2961 Convention Center Maintenance District	0.10	0.10	0.10	0.00	0.10
Total Facility Services Division	13.00	13.00	13.00	0.00	13.00
Engineering-Administration Division					
4411 General Services	1.74	1.74	1.74	0.00	1.74
4412 Developer Projects	1.74	1.74	1.74	0.00	1.74
4413 Capital Improvement Projects	1.78	1.78	1.78	0.00	1.78
Total Engineering-Administration Division	5.25	5.25	5.25	0.00	5.25
Engineering-Design Division					
4441 General Services	-0.10	0.80	0.80	0.00	0.80
4442 Developer Projects	0.80	0.70	0.70	0.00	0.70
4443 Capital Improvement Projects	6.30	5.50	5.50	0.00	5.50
Total Engineering-Design Division	7.00	7.00	7.00	0.00	7.00
Engineering-Field Services Division					
4461 General Services	0.90	0.90	0.90	0.00	0.90
4462 Developer Projects	3.05	3.50	3.50	0.00	3.50
4463 Capital Improvement Projects	5.05	4.60	4.60	0.00	4.60
Total Engineering-Field Services Division	9.00	9.00	9.00	0.00	9.00
Engineering-Land and Property Development Division					
4451 General Services	0.87	0.82	0.82	0.00	0.82
4452 Development Support	9.13	10.18	6.18	(4.00)	6.18
Total Engineering-Land and Property Development Division	10.00	11.00	7.00	(4.00)	7.00
Engineering-Traffic Division					
4431 General Services	1.00	1.60	1.60	0.00	1.60
4432 Developer Projects	2.45	2.35	2.35	0.00	2.35
4433 Capital Improvement Projects	2.55	2.25	2.25	0.00	2.25
4434 Traffic Signal Management	1.30	1.20	1.20	0.00	1.20
4435 Traffic Striping and Signing	0.70	0.60	0.60	0.00	0.60
Total Engineering-Traffic Division	8.00	8.00	8.00	0.00	8.00



Position Summary

		FY 2021/22 Adopted*	FY 2022/23 Adopted*	FY 2023/24 Proposed*	FY 2023/24 Change	FY 2024/25 Proposed*
Positions by Division / Program						
Streets Division						
2911	Street Maintenance	13.80	13.80	15.70	1.90	15.70
2921	Storm System Maintenance	6.45	6.45	3.25	(3.20)	3.25
2924	Non-Point Source	5.70	5.70	5.80	0.10	5.80
2931	Garbage Collection	2.15	2.15	2.95	0.80	2.95
2933	Clean-Up Campaign	0.45	0.45	0.45	0.00	0.45
2934	Residential Recycling	1.20	1.20	1.00	(0.20)	1.00
2935	Street Sweeping	2.70	2.70	2.70	0.00	2.70
2936	Household Hazardous Waste	0.15	0.15	0.00	(0.15)	0.00
2941	Parking District Maintenance	0.50	0.50	0.50	0.00	0.50
2951	Landscape Maintenance	15.55	15.55	16.40	0.85	16.40
2952	Street Tree Program	3.65	3.65	3.65	0.00	3.65
2971	Traffic Maintenance	3.20	3.20	3.20	0.00	3.20
Total Streets Division		55.50	55.50	55.60	0.10	55.60
Fleet Management Division						
2123	Fleet Operations	14.75	14.75	14.65	(0.10)	14.65
Total Fleet Management Division		14.75	14.75	14.65	(0.10)	14.65
Total by Division / Program		122.50	123.50	119.50	(4.00)	119.50
Positions by Fund						
General Fund		83.16	82.87	82.52	(0.35)	82.52
Downtown Parking Maintenance District Fund		0.50	0.50	0.50	0.00	0.50
Convention Center Maintenance District Fund		0.10	0.10	0.10	0.00	0.10
Public Works Capital Projects Management Fund		14.34	14.13	14.13	0.00	14.13
Fleet Operations Fund		14.75	14.75	14.65	(0.10)	14.65
Solid Waste Fund		6.65	6.65	7.10	0.45	7.10
Electric Utility Fund		0.50	0.50	0.50	0.00	0.50
Related Santa Clara Developer Fund		2.50	4.00	0.00	(4.00)	0.00
Total by Fund		122.50	123.50	119.50	(4.00)	119.50

Position Summary

	FY 2021/22 Adopted*	FY 2022/23 Adopted*	FY 2023/24 Proposed*	FY 2023/24 Change	FY 2024/25 Proposed*
Position Classification					
Account Clerk	1.00	1.00	1.00	0.00	1.00
Associate Engineer (Civil)	10.00	10.00	9.00	(1.00)	9.00
Assistant Director Of Public Works/City Engineer	1.00	1.00	1.00	0.00	1.00
Auto Services Utility Worker	1.00	1.00	1.00	0.00	1.00
Automotive Technician I	2.00	2.00	2.00	0.00	2.00
Automotive Technician II	1.00	1.00	1.00	0.00	1.00
Automotive Technician III	5.00	5.00	5.00	0.00	5.00
Building Maintenance Worker	5.00	5.00	5.00	0.00	5.00
Building Maintenance Manager	1.00	1.00	1.00	0.00	1.00
Chief Of Party	1.00	1.00	1.00	0.00	1.00
Code Enforcement Officer	1.00	1.00	1.00	0.00	1.00
Code Enforcement Technician	2.00	2.00	2.00	0.00	2.00
Compliance Manager	1.00	1.00	1.00	0.00	1.00
Deputy Public Works Director	1.00	1.00	1.00	0.00	1.00
Director Of Public Works	1.00	1.00	1.00	0.00	1.00
Environmental Programs Manager	1.00	1.00	1.00	0.00	1.00
Equipment Operator	2.00	2.00	2.00	0.00	2.00
Fleet Coordinator	1.00	1.00	1.00	0.00	1.00
Fleet Manager	1.00	1.00	1.00	0.00	1.00
Management Analyst	1.00	1.00	1.00	0.00	1.00
Mechanical Maintenance Worker	3.00	3.00	3.00	0.00	3.00
Office Specialist II	2.50	2.50	2.50	0.00	2.50
Office Specialist III	2.00	2.00	2.00	0.00	2.00
Office Specialist IV	1.00	1.00	1.00	0.00	1.00
Principal Engineer ¹	4.00	4.00	2.00	(2.00)	2.00
Principal Engineer/City Surveyor ¹	0.00	0.00	1.00	1.00	1.00
Principal Planner	1.00	1.00	1.00	0.00	1.00
Public Works Inspector ²	4.00	5.00	4.00	(1.00)	4.00
Public Works Supervisor	8.00	8.00	8.00	0.00	8.00
Senior Engineer (Civil)	9.00	9.00	8.00	(1.00)	8.00
Senior Engineering Aide	2.00	2.00	2.00	0.00	2.00
Senior Materials Handler	1.00	1.00	1.00	0.00	1.00

Position Summary

	FY 2021/22 Adopted*	FY 2022/23 Adopted*	FY 2023/24 Proposed*	FY 2023/24 Change	FY 2024/25 Proposed*
Position Classification					
Staff Aide I	1.00	1.00	1.00	0.00	1.00
Staff Aide II - Environmental Programs	1.00	1.00	1.00	0.00	1.00
Staff Analyst I	2.00	2.00	2.00	0.00	2.00
Street Maintenance Worker I	3.00	3.00	3.00	0.00	3.00
Street Maintenance Worker II	12.00	12.00	12.00	0.00	12.00
Street Maintenance Worker III	11.00	11.00	11.00	0.00	11.00
Street Maintenance Worker IV	6.00	6.00	6.00	0.00	6.00
Street Sweeper Operator	3.00	3.00	3.00	0.00	3.00
Superintendent of Streets and Solid Waste	1.00	1.00	1.00	0.00	1.00
Traffic Engineer ³	1.00	0.00	0.00	0.00	0.00
Traffic Operations Engineer	1.00	1.00	1.00	0.00	1.00
Transportation Manager ³	0.00	1.00	1.00	0.00	1.00
Tree Trimmer II	2.00	2.00	2.00	0.00	2.00
Utility Worker	1.00	1.00	1.00	0.00	1.00
Total Positions	122.50	123.50	119.50	(4.00)	119.50

¹ 1.0 Principal Engineer was approved for reclassification to 1.0 Principal Engineer/City Surveyor in RTC 19-750 on August 20, 2019. The FY 2021/22 Adopted Operating Book did not incorporate the reclassification so it is updated in this Proposed budget book.

² The FY 2022/23 Adopted Capital Budget Book added 1.0 Public Works Inspector for FY 2022/23 funded by Related which was previously frozen.

³ 1.0 Traffic Engineer was approved for reclassification to 1.0 Transportation Manager in RTC 20-219 on February 25, 2020. The FY 2021/22 Adopted Operating Book did not incorporate the reclassification so it is updated in this Proposed budget book.

* The positions above represent all funded positions. This excludes the 1.0 Associate Engineer, 1.0 Assistant Engineer (Civil), and 1.0 Automotive Technician positions that were frozen, as approved by the City Council on March 9, 2021 (Agenda Item 5.0 – Report to Council 21-402). This also excludes 5.0 vacant FTEs (1.0 Street Maintenance Worker IV, 3.0 Street Maintenance Worker III, and 1.0 Street Maintenance Worker I/II) that were frozen, as approved by the City Council on June 22, 2021 (Agenda Item 5.0 – Report to Council 21-526). Lastly, this excludes 4.0 FTEs that were originally funded by Related but are frozen beginning FY 2023/24 based on discussions with Related: 1.0 Associate Engineer (Civil), 1.0 Principal Engineer, 1.0 Public Works Inspector, and 1.0 Senior Engineer (Civil).

Budget Reconciliation

	Positions	Expenditures (All Funds)
Prior Year Budget	123.50	85,731,100
FY 2023/24 Base Budget Adjustments		
One Time Cost Base Adjustments		
Vehicle maintenance one-time fuel increase		(215,000)
Transfer to the General Fund for SVP funded electric vehicle replacements		(960,000)
Rebudget: Fleet asset management system upgrade		(100,000)
Rebudget: Transfer from Traffic Mitigation Fund (123) to Streets and Highways Fund (533)		(221,500)
Rebudget: Transfer from Developer Traffic Payments Fund (124) to Streets and Highways Fund (533)		(1,108,500)
Ongoing Cost Adjustments		
Net Salary and benefits adjustments and position reallocations		1,077,468
Freeze of 4.0 positions for the Related Santa Clara project	(4.00)	(996,223)
1.0 Associate Engineer (Civil)		
1.0 Principal Engineer		
1.0 Public Works Inspector		
1.0 Senior Engineer (Civil)		
Net resource and production increase for solid waste collection, processing and disposal services (Mission Trail Waste Systems, Recology, Green Waste Recovery)		1,737,847
Net adjustments to various transfers to other funds		1,650,213
Net materials, services and supplies increase		283,240
City building janitorial contract		258,000
Vehicle maintenance fuel increase		185,570
Capital Outlay for vehicle replacements		155,039
Increase to Solid Waste Fund contribution in lieu		120,267
Internal service funds adjustments		(528,513)
Total FY 2023/24 Base Budget Adjustments	(4.00)	1,337,908
Total FY 2023/24 Base Budget	119.50	87,069,008



Budget Reconciliation

	Positions	Expenditures (All Funds)
FY 2023/24 Service Level Changes		
Environmental Program Staff Allocation Shifts	0.00	0
Compliance Manager Allocation Shift	0.00	0
Streets Equipment Reduction of Vehicle Amortization and O&M		(113,764)
Transfer to the General Fund for the Sale of Underutilized Streets Vehicles		149,600
Storm Drain Development Planning & Building Application Review		198,360
Total Service Level Changes	0.00	234,196
Total FY 2023/24 Proposed Budget	119.50	87,303,204
FY 2024/25 Base Budget Adjustments		
One Time Cost Adjustments		
Transfer to the General Fund for the Sale of Street Vehicle Reductions	0.00	(149,600)
Ongoing Cost Adjustments		
Salary and benefits adjustments		1,324,071
Capital Outlay for vehicle replacements		2,071,000
Net resource and production increase for solid waste collection, processing and disposal services (Mission Trail Waste Systems, Recology, Green Waste Recovery)		1,260,106
Net materials, services and supplies increase		155,222
Internal service funds adjustments		104,238
Increase to Solid Waste Fund contribution in lieu		33,675
Net decrease in transfers to other funds for CIP		(1,176,380)
Total FY 2024/25 Base Budget Adjustments	0.00	3,622,332
Total FY 2024/25 Base Budget	119.50	90,925,536
Total FY 2024/25 Proposed Budget	119.50	90,925,536



Service Level Changes

		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Environmental Program Staff Allocation Shifts	0	0	0	0	0
Program:	2924 – Storm Drain – Non-Point Source 2931 – Solid Waste – Garbage Collection 2934 – Solid Waste – Residential Recycling				

This proposal updates position allocations of Environmental Program staff to reflect the amount of time currently spent between the Solid Waste and Urban Runoff Pollution Prevention Programs (URPPP). Both programs are funded by customer rates, although the URPPP is budgeted in the General Fund. This proposal will shift a net of 0.30 FTE into the Solid Waste Fund which is supported by customer refuse rates and result in ongoing savings to the General Fund of \$57,834.

Performance Impact

This proposal helps reduce costs to the General Fund, maintains services, and does not have an impact to the department performance.

Strategic Pillar:



Manage Strategically Our Workforce Capacity and Resources



Service Level Changes

		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Compliance Manager Allocation Shift	0	0	0	0	0
Program:	2123 – Fleet Operations				
	2911 – Streets - Street Maintenance				
	2921 – Storm Drain – Storm System Maintenance				
	2924 – Storm Drain – Non-Point Source				
	2951 – Parkways & Blvds - Landscape				

This proposal shifts funding sources for the Compliance Manager position to better align with distribution of workload. The Compliance Manager will be shifting 0.15 FTE from the Fleet Management and General Fund into the Solid Waste Fund. The effect by fund is an ongoing savings of \$11,371 in the General Fund, ongoing savings of \$22,725 in the Fleet Management Fund, and an ongoing increase to the Solid Waste Fund in the amount of \$34,096. Of the ongoing savings of \$22,725 to the Fleet Maintenance and Operations Fund, \$15,262 is funded from the General Fund and the remaining amount is distributed across other funds which is built into the interfund services amount. The total net ongoing savings to the General Fund is \$26,633.

Performance Impact

This proposal helps reduce costs to the General Fund, maintains services, and does not have an impact to the department performance.

Strategic Pillar:



Manage Strategically Our Workforce Capacity and Resources

Service Level Changes

Title	Positions	FY 2023/24		FY 2024/25	
		One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Streets Equipment Reduction of Vehicle Amortization and O&M	0	0	(113,764)	0	(116,867)

Program: 2123 – Fleet Operations
2111 – Fleet Acquisitions

This proposal removes 17 underutilized vehicles/equipment in the Streets division. One sedan will be shifted from the General Fund to the Solid Waste Fund. This proposal will reduce the General Fund equipment amortization and maintenance and operations costs by \$46,174 ongoing. An ongoing reduction of \$67,590 to the Fleet Maintenance and Operations Fund in Non-Personnel costs is included to account for the reduction of vehicles/equipment. Of this, \$45,391 is reduced from the General Fund funded portion and the remaining amount is distributed across other funds. The total net ongoing reduction to the General Fund is \$91,565. Both the vehicle amortization and maintenance and operations reductions are built into the interfund services allocations for all funds.

Performance Impact

This proposal helps reduce costs to the General Fund, maintains services, and does not have an impact to the department performance.

Strategic Pillar:  Manage Strategically Our Workforce Capacity and Resources

Title	Positions	FY 2023/24		FY 2024/25	
		One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Transfer to the General Fund for the Sale of Underutilized Streets Vehicles	0	149,600	0	0	0

Program: 2111 – Fleet Acquisitions

This proposal transfers \$149,600 one-time from the Vehicle Replacement Fund to the General Fund for the sale of underutilized vehicles/equipment in the Streets division.

Performance Impact

This proposal maintains services and does not have an impact to the department performance.

Strategic Pillar:  Manage Strategically Our Workforce Capacity and Resources

Service Level Changes

		FY 2023/24		FY 2024/25	
Title	Positions	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Storm Drain Development Planning & Building Application Review	0	0	198,360	0	204,310
Program:	2924 – Storm Drain – Non-Point Source 2931 – Solid Waste – Garbage Collection 2951 – Parkways & Blvds - Landscape				

This proposal increases the contractual services budget, which is offset by revenues, for development planning and building application review. DPW no longer has the in-house expertise to review various planning and building application plans following the retirement of the previous Compliance Manager. The department has transitioned to using a consulting engineering firm to provide the necessary plan review services in the stormwater, solid waste and parkways and boulevards landscape areas. The cost will be funded by revised fees collected through the FY 2023/24 Municipal Fee Schedule.

Performance Impact

This proposal allows the department to continue providing development planning and building plan reviews.





Strategic Pillar:



Manage Strategically Our Workforce Capacity and Resources













Performance and Workload Measures

Facility Services Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percent of all requests for service responded to within four business days		98%	95%	95%	95%	95%	95%
Percent of customers rating services performed by the Facility Services team as meeting expectations or better		100%	100%	80%	100%	80%	80%
Percent of rest rooms cleaned in all major buildings daily		100%	100%	95%	95%	95%	95%
Workload Measures							
Total number of work requests received annually		798	1214	1,900	1900	1,900	1,900










Performance and Workload Measures

Engineering Design Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percent of projects completed within the approved schedule. Note: these include Master Plan studies, standard details and standard specifications and the capital projects		69%	100%	75%	100%	75%	75%
Percentage of Sanitary Sewer Capacity Impact Evaluation applications reviewed within 10 business days		100%	100%	90%	100%	90%	90%
Percent of customers rating design services as meeting expectations or better		100%	80%	80%	100%	80%	80%
Workload Measures							
Number of projects managed		42	34	24	19	24	24
Number of Sanitary Sewer Model Run requests processed		8	11	8	8	8	8
Number of Records updated. Note: Records include As-builts, utility maps, and block book		25	10	20	20	20	20
Engineering Field Services Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percent of complaints responded to within one business day		92%	100%	90%	95%	88%	88%
Percent of inspection requests responded to within one business day		99%	99%	95%	95%	88%	88%
Percent of capital improvement projects that reached substantial completion within the construction contract time		80%	71%	75%	80%	75%	75%
Percent of customers rating construction services as provided by the construction management team meeting expectations or better		100%	100%	90%	90%	90%	90%









Performance and Workload Measures

Engineering Field Services Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Number of encroachment permits inspected		602	462	300	300	300	300
Number of construction capital projects managed		23	13	15	18	15	15
Engineering Land and Property Development Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percent of subdivision maps reviewed by target date (first submittal reviewed at 20 business days, subsequent submittals at 10 business days)		92%	100%	85%	95%	85%	85%
Percent of major encroachment permits reviewed by target date (1st submittal at 20 business days, subsequent submittals at 15 business days)		94%	95%	85%	80%	85%	85%
Percent of minor encroachment permits reviewed by target date (1st submittal at 15 business days, subsequent submittals at 10 business days)		99%	99%	85%	95%	85%	85%
Percent of Project Clearance Committee and Subdivision Committee Items reviewed by target date (All submittals at three business days after the Committee meeting)		86%	100%	85%	95%	85%	85%
Percent of Public Works Site Clearances reviewed by target date (All submittals at five business days)		90%	86%	85%	85%	85%	85%













Performance and Workload Measures

Engineering Land and Property Development Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Subdivision Maps received		7	3	6	5	6	6
Land title documents received		68	59	65	70	65	65
Encroachment Permits received		480	448	350	350	350	350
Project Clearance Committee and Subdivision Committee applications received		24	41	35	50	40	40
Project Clearance Committee and Subdivision Committee resubmission applications received		N/A	37	30	55	40	40
Public Works Site Clearances received		425	385	500	400	400	400











Performance and Workload Measures

Engineering Traffic Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percent of traffic engineering studies completed within 30 business days		27%	34%	85%	75%	85%	85%
Percent of encroachment permits, capital improvement projects, and traffic control plans reviewed by target date (1st submittal at 20 business days, subsequent submittals at 15 business days)		91%	87%	85%	75%	85%	85%
Percent of Project Clearance Committee and Subdivision Committee items reviewed by target date (All submittals at three business days after the Committee meeting)		88%	93%	85%	95%	85%	85%
Percent of timing, coordination, detection, equipment, or other signal management requests responded to within 1 business day		93%	88%	85%	80%	85%	85%
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Funding grants applied for or being processed		11	21	10	20	10	10
Special transportation permits issued		252	339	450	400	450	450
Traffic engineering studies completed		90	84	170	100	170	170
Number of encroachment permits, capital improvement projects, and traffic control plans reviewed		635	520	600	300	600	600
Number of timing, coordination, detection, equipment, or other signal management requests		67	88	120	120	120	120
Minor Encroachment Permits (temporary storage facilities in public right of way)		N/A	32	40	22	40	40










Performance and Workload Measures

Streets Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percent of pothole repair requests responded to within three business days, except during Clean-Up Campaign		68%	26%	85%	50%	85%	85%
Percent of sidewalk tripping complaints inspected within three work days		27%	82%	95%	85%	90%	90%
Percent of minor utility trench repairs completed within thirty days after notification and release – <i>Delete for FY 2023/24</i>		9%	11%	50%	10%	N/A	N/A
Percent of catch basin inlets cleaned annually		76%	66%	100%	45%	75%	75%
Percent of pump station wet wells cleaned annually		27%	29%	70%	70%	70%	70%
Percent of pump station storm drain outfalls visually inspected annually		100%	100%	100%	100%	100%	100%
Percent of industrial/commercial facilities re-inspected within ten business days following a notice of violation		100%	100%	100%	100%	100%	100%
Percent of active construction sites over one acre inspected once a month during the wet season		100%	100%	100%	100%	100%	100%

















Performance and Workload Measures

Streets Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Remove graffiti from public property within five working days once notified and properly documented		95%	90%	95%	85%	75%	75%
Percent of public litter cans serviced weekly		N/A	98%	100%	95%	95%	95%
Percent of citizen requested tree service inspections completed within 30 days		33%	36%	100%	50%	85%	85%
Maintain "Tree City USA" certification		Yes	Yes	Yes	Yes	Yes	Yes
Ensure that garbage collection contractor services all of regularly scheduled collection routes		100%	100%	99%	99%	99%	99%
Respond to complaints of missed garbage collection within one (1) working day of initial contact (Garbage Collection)		100%	99%	99%	99%	99%	99%
Complete annual Clean-Up Campaign within a four-week (20 day) time frame		Yes	Yes	Yes	Yes	Yes	Yes















Performance and Workload Measures

Streets Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Respond to complaints of missed collection within one (1) working day of initial contact		100%	99%	99%	99%	99%	99%
Ensure that recycling collection contractor services all of regularly scheduled collection routes		100%	100%	99%	99%	99%	99%
Respond to complaints of missed collection within one (1) working day of initial contact (Residential Recycling)		100%	99%	99%	99%	99%	99%
Percent of sweeping complaints responded to within one (1) work day		98%	95%	95%	95%	95%	95%
Percent of residential streets swept on a bi-weekly basis		97%	95%	95%	90%	90%	90%
Percentage of traffic signs repaired or replaced within four (4) working days		99%	71%	97%	80%	80%	80%
Workload Measures							
Lineal feet of Crack Sealing performed in-house		322,350	64,680	100,000	50,000	30,000	30,000
Square feet of sidewalk replace		11,776	19,600	8,000	15,000	15,000	15,000
Catch basins cleaned		3,226	2,652	4,000	2,000	3,000	3,000
Commercial/Industrial facility stormwater inspections		588	569	600	518	525	525
Percent of annual inspection of sites with post-construction stormwater treatment facilities		53%	32%	30%	30%	30%	30%
Pounds of litter removed through Adopt-a-Spot Program		570	805	475	395	400	400
Percent trash/litter reduction achieved to meet Stormwater Permit Requirement		87%	90%	100%	90%	90%	100%
Pounds of solid waste disposed per resident per day (8.2 lbs. is the target for 50% landfill diversion)		5.6	3.8	6.0	4.0	4.0	4.0



Performance and Workload Measures

Streets Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Miles of streets swept		27,990	31,230	30,000	19,000	26,000	26,000
Number of Street trees pruned		1,166	1,725	1,400	1,400	1,400	1,400
Miles of striping installed		108	35	130	12	90	90
Lineal feet of curbs painted		6,749	11,629	12,000	5,500	6,000	6,000
Number of signs installed or repaired		3,625	3,226	4,500	2,500	2,500	2,500
Fleet Management Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Procure equipment and vehicles identified for replacement during fiscal year		81%	80%	90%	75%	75%	70%
Percent of Preventive Maintenance (PM) completed on all vehicles and equipment within two weeks of due date		90%	85%	90%	85%	85%	85%
Percent of alternative fuel vehicles and equipment		37%	38%	36%	38%	42%	44%
Workload Measures							
Fleet size		760	760	760	760	755	755
Fuel usage total (diesel and unleaded)		301,000	288,054	310,000	295,000	293,000	290,000
Percent of Preventive Maintenance (PM) hours of total work hours		41%	45%	50%	42%	42%	42%
Direct vs indirect labor percentage		67%	53%	70%	55%	60%	60%

This page is intentionally left blank.

Water and Sewer Utilities Department

This page is intentionally left blank.

Water and Sewer Utilities Department Description

The Water and Sewer Utilities Department provides planning, design, construction, maintenance, and operation of the City's water distribution system, sewer collection system, and recycled water system. The three utilities, water, sewer, and recycled water, operate independently and charge rates to recover the costs of providing these services to Santa Clara residents and businesses, including capital investment in City infrastructure and funding of needed reserves.

In 2022, the Water Utility produced and distributed 6 billion gallons of water to approximately 26,000 service connections, delivered through approximately 335 miles of water main. Of the total water supply 50.7% is obtained from the City's wells; 32.4% is treated water purchased from two wholesale potable water agencies; and 16.9% is from recycled water delivered through the South Bay Water Recycling system. The Department oversees:

- Design, construction, distribution, metering, quality monitoring, and system maintenance for both potable and recycled water
- Collection and conveyance of wastewater for approximately 26,000 accounts and assessment, maintenance, or repair for more than 288 miles of sewer mains as required
- Construction, operation, and maintenance of the recycled water system within the Santa Clara city limits. This recycled water system distributes highly treated wastewater for non-potable use

Other activities include:

- Promote water conservation and environmental sustainability through outreach to the community
- Contract management for the construction of new South Bay Recycled Water pipelines
- Coordinate planning efforts for the future expansions of recycled water systems in Santa Clara County (County)
- Maintain compliance with State regulations through development plan reviews and site inspections

The Sewer Utility operates and maintains a sanitary sewage collection system that collects and conveys wastewater to the jointly owned San José-Santa Clara Regional Wastewater Facility (RWF) for treatment and disposal. The Sewer Utility maintains sewer pump stations and assists the Department of Public Works in the operation and maintenance of the storm pump stations. Additional services are: property line clean-outs installed for access to maintain residential sewer laterals; maintain seven sanitary and twenty-one stormwater pump stations to ensure reliable service; assist the industrial waste inspectors from the RWF with investigations of City industries; and implement the Sanitary Sewer Management Plan as submitted to the State and Regional Water Quality Control Board.

Bonds are issued to mitigate rate increases while allowing for the repair and replacement of critical infrastructure. Proceeds from debt were used to pay for repairs and rehabilitation of the Trimble Road Sanitary Sewer main trunk and will be repaid over the next eight years.

Divisions and Services

The Water and Sewer Utilities Department is organized into five Divisions: Solar Utility; Water Construction, Maintenance, Operations; Water Engineering; Recycled Water Program; and Sewer.

Solar Utility Division Mission	Provide installation and maintenance of solar heating systems for commercial, residential, and pool water heating.
Division Objectives	Maintain more than 147 swimming pool systems. Maintain one domestic solar hot water system.
Water Construction, Maintenance, Operations Division Mission	Operate and maintain the Water Utility in the most efficient manner and ensure that the approved levels of service are met.
Division Objectives	Increase reliability of the water system through the replacement of mains and appurtenances at the end of their useful life. Complete the construction, and installation of approximately 10,000 linear feet of water main. Construct, repair, and/or rehabilitate at least two groundwater wells each budget cycle to continue to provide reliable water service.
Water Engineering, Compliance, Conservation Division Mission¹	Provide Engineering services that improve and protect the water supply and distribution system while planning for future expansion and upgrades to infrastructure to ensure future reliability.
Division Objectives	Continue to improve the seismic safety of the water utility system. Continue the use of innovative technology to optimize the management of City water assets and appurtenances. Support citywide development through plan check review and inspection. Undertake engineering studies of the condition and reliability of water system assets.

¹ Previously titled Water Engineering Division



Recycled Water Program Division Mission	Provide for the safe, efficient, and reliable distribution of sustainable and high-quality recycled water which meets all requirements of State regulations and local codes. Deliver services in a cost effective and efficient manner with a focus on outstanding customer service.
	Increase connection of recycled water services for landscape irrigation of commercial and industrial sites, City parks, and school fields.
Division Objectives	Increase the use of recycled water for approved uses.
	Coordinate planning efforts with South Bay Water Recycling (SBWR) for the future expansions of recycled water systems in the County, and coordinate and compile annual site inspections as required by the State.
	Maintain compliance with State regulations through development plan reviews and site inspections.
	Design, construct, and maintain recycled water pipelines.
Sewer Division Mission	Collect, treat, and dispose of wastewater in an efficient, cost-effective, and environmentally safe manner. Provide for maintenance of stormwater pump stations. Deliver services at approved levels in a cost effective and efficient manner with a focus on outstanding customer service.
	Install property line clean-outs for access for the provision of a courtesy service of maintaining lower laterals for residential sewer customers.
Division Objectives	Maintain seven sanitary sewer and twenty-one stormwater pump stations to ensure reliable service.
	Assist the pre-treatment program staff from the RWF with investigations of City industries.
	Implement Sewer System Management Plan (SSMP) as submitted to the State and Regional Water Quality Control Board.
	Clean, conduct condition assessment, and repair or rehabilitate sanitary sewer collection system.

Significant Accomplishments

- Continued outreach, inspection, and code enforcement of Food Serving Establishments (FSEs) as part of the administration of the Fats, Oils, and Grease (FOG) Program.
- Completed the annual Water and Sewer Rate Study to inform customer service charges for upcoming fiscal years and the Municipal Fee Schedule as well as the 10-year financial plan.
- Finalized amendments to cell tower leases at two Water and Sewer Utilities locations, with revenues to fund the low-income rate assistance program.
- Completed engineering and compliance plan check reviews to facilitate new development.
- Substantially completed Phase 1 and began Phase 2 of Supervisory Control and Data Acquisition (SCADA) replacements and process control improvements (over 40 sites).
- Substantially completed Phase 1 of work to receive approval of the O&M Plan and potable water design for the City Place Santa Clara development.
- Continued work on well rehabilitation and replacement to help ensure supply reliability.
- Completed amendments to the San Francisco Public Utilities Commission (SFPUC) Water Supply Agreement related to the minimum purchase contract.
- With Drought Emergency Declaration including Water Shortage Contingency Plan Stage 2, met conservation goals during historic drought.
- Achieved water conservation goals and mandates from Valley Water, SFPUC, and the State of California including developing rebate programs and working with City departments to reduce water use.
- Fully complied with all water quality regulations, protecting public health by enhancing potable water quality in the distribution system, including per-and polyfluoroalkyl substances (PFAS) monitoring and compliance.
- Replaced lead service line connections at approximately 70 residential locations in coordination with the State Division of Drinking Water (DDW).
- Completed \$10 million rehabilitation of Serra Tanks, refurbishing and seismically retrofitting the three 4 million-gallon reservoir tanks.
- Completed updates to the Water Service and Use Rules and Regulations.
- Completed hydraulic model for fire flows and fire service analyses to support new development.
- Completed water supply assessments (2901 Tasman Drive, Tasman East Specific Plan, 960 Central Expressway, Downtown Precise Plan, & Mission Point) to support water demand and supply planning for City specific plans and new development.
- Created new position of Utility Conservation\Efficiency Coordinator from existing vacancies to focus on implementation of water conservation-related programs.
- Completed emergency sewer repair at Great America Parkway, Union Pacific Railroad (UPRR), and Lafayette Street.
- Completed the assessment by closed-circuit television of approximately 270,000 linear feet and jet flushed approximately 360,000 linear feet of sewer main.
- Completed the annual in-house design, construction, and installation of approximately 7,000 linear feet of water main.
- Finalized Sewer Ordinance updates to comply with the City of San Jose Pretreatment Program.
- Completed the sewer condition assessment for the entire sewer collection system of approximately 288 miles, which took almost eight years to complete.

- Continued to develop recycled water supply and infrastructure improvements with South Bay Water Recycling, and increase recycled water use from new developments, including requiring extension of recycled water system by developers.
- Finalized repair of recycled water line.
- Connected Magical Bridge Playground at Central Park to recycled water
- In cooperation with regional partners (Valley Water, City of San Jose, SFPUC), completed Notice of Intent and Memorandum of Understanding for purified water expansion, including funding a feasibility study and a draft feasibility report.

Significant Objectives

- Complete update of Emergency Response Plan to coordinate response planning with regional partners and better mitigate known hazards by participating in the County Multi-Jurisdictional Hazard Mitigation Plan.
- Complete conversion of Sewer and Water AutoCAD (block book maps) to Geographical Information System (GIS) in coordination with Information Systems Department.
- Increase outreach regarding water conservation and overall environmental sustainability and work to lower per capita water use in the City.
- Complete annual updates to the Water, Sewer, and Recycled Water rates and 10-year financial plans for the three utilities.
- Conduct Automated Meter Infrastructure (AMI) pilot project.
- Continue efforts to seek alternative funding for infrastructure improvements, including the application for grant opportunities.
- Complete the in-house design, construction and installation of approximately 10,000 linear feet of water main annually.
- Complete substantial work on the Lead and Copper Revised Rule (LCRR) inventory of customer service lines by October 2024 to comply with regulatory requirements.
- Implement US Environmental Protection Agency UCMR5 program for potable water sampling, including PFAS monitoring
- Utilize findings of Well Feasibility Study to complete the construction process for two new water wells and complete the rehabilitation of four existing wells.
- Complete substantial work on the One Water Santa Clara – Sustainable Water Supply Master Plan that includes a utility wide asset management program and review of development impact fees.
- Continue comprehensive sampling and cross-connection programs to ensure water quality meets state and federal standards and utilize proactive operational controls to improve the water quality in the distribution system.
- Finalize approval from the State Division of Drinking Water for the Operation and Maintenance Plan for the Related Santa Clara project Phase 1.
- Complete the work on the Tier 2 Water Shortage Allocation Plan, being updated by Bay Area Water Supply and Conservation Agency (BAWSCA) for use during droughts as required by the SFPUC Water Supply Agreement.
- Complete updates to the Sewer System Management Plan (SSMP) to comply with revised Statewide Waste Discharge Requirements.
- Continue to repair or rehabilitate the most severely impacted sewer mains, based on accepted rating criteria.
- Clean and assess the condition of over 600,000 linear feet of sanitary sewer main during the budget cycle.
- In coordination with the Finance Department and financial consultants, finalize existing debt financing for the Regional Wastewater Facility CIP and analyze possible new borrowing, as necessary.



- Complete the approval of the Santa Clara University Campus Wide Plan for recycled water including conversion of three major buildings (FINN South Residence Hall, Athletic Excellence Center, STEM and the North Campus Franklin Pedestrian Mall) to recycled water.
- Optimize the recycled water system and increase the recycled water supply while focusing on expansion opportunities with regional partners.
- Continue alternative water supply planning with BAWSCA, SFPUC, and the City of San Jose, including completion of a purified water feasibility study and continued negotiations regarding making Santa Clara a permanent customer with SFPUC.

Budget Highlights

- The budget reflects updates to the City of Santa Clara's contribution to the Regional Wastewater Facility, co-owned with the City of San José, as well as revised revenues and costs to continue to effectively deliver water, recycled water, and sewer services.
- This budget also reflects the resources necessary to comply with regulations that affect all three utilities and changing climate conditions as well as the commitment of the Department and the City to long term sustainability, both environmental and fiscal.



Water and Sewer Utilities Department

73.00 FTEs

Sewer

0.50 Assistant Engineer (Civil)
0.35 Assistant Director of Water and
Sewer Utilities
1.00 Assistant Sanitary Sewer
Superintendent
0.50 Associate Engineer
1.00 Code Enforcement Officer
0.70 Code Enforcement Technician
0.40 Compliance Manager
0.40 Director of Water and Sewer
Utilities
1.00 Equipment Operator
0.80 Facilities Technician
0.80 Management Analyst
0.80 Office Specialist II/III
0.25 Principal Engineer
1.00 Pump Maintenance Technician
2.00 Sewer Inspection Technician
0.25 Senior Civil Engineer
0.25 Senior Engineering Aide
0.40 Staff Aide I
0.50 Utility Business Systems
Manager
0.35 Utility Business Systems
Specialist
2.00 Utility Crew Supervisor
0.25 Utility Operations Engineer
0.50 Water and Sewer System
Operator
5.50 Water and Sewer Maintenance
Worker II
0.75 Water and Sewer
Superintendent

22.25 Total Sewer FTE

Water Construction, Maintenance, Operations

0.60 Assistant Engineer (Civil)
1.50 Assistant Water Superintendent
4.00 Equipment Operator
1.00 Facilities Inspection Supervisor
1.00 Facilities Technician
1.50 Pump Maintenance Technician
0.25 Utility Business Systems
Specialist
5.00 Utility Crew Supervisor
0.50 Water and Sewer System Operator
4.75 Water Service Technician II
12.20 Water and Sewer
Maintenance Worker II

**32.30 Total Water Construction,
Maintenance, Operations FTE**

Recycled Water Program

0.15 Assistant Director of Water and
Sewer Utilities
0.30 Assistant Engineer (Civil)
0.50 Assistant Water Superintendent
0.30 Associate Engineer
0.30 Code Enforcement Technician
0.20 Compliance Manager
0.10 Director of Water and Sewer
Utilities
0.20 Facilities Technician
0.50 Management Analyst
0.15 Principal Engineer
0.15 Senior Civil Engineer
0.15 Senior Engineering Aide
0.10 Utility Business Systems Manager
0.15 Utility Business Systems Specialist
0.15 Utility Operations Engineer
0.15 Water Resource Specialist
0.25 Water Service Technician II
0.30 Water and Sewer Utility
Maintenance Worker II

**4.10 Total Recycled Water Program
FTE**

Water Engineering, Compliance, Conservation

0.60 Assistant Engineer (Civil)
0.50 Assistant Director of Water and
Sewer Utilities
1.20 Associate Engineer
0.40 Compliance Manager
0.50 Director of Water and Sewer
Utilities
0.70 Management Analyst
2.20 Office Specialist II/III
0.60 Principal Engineer
0.60 Senior Engineer (Civil)
0.60 Senior Engineering Aide
0.60 Staff Aide I
1.00 Utilities Conservation Specialist
0.40 Utility Business Systems
Manager
0.25 Utility Business Systems
Specialist
0.60 Utility Operations Engineer
1.25 Water and Sewer
Superintendent
0.85 Water Resource Specialist

12.85 Total Water Engineering FTE

Solar Utility

0.50 Pump Maintenance
Technician
1.00 Water and Sewer
Maintenance Worker II

1.50 Total Solar Utility FTE



Budget Summary

		FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program							
Solar Utility Division							
1532	Solar – System Maintenance	97,232	273,628	259,688	(5.1%)	274,526	5.7%
Total Solar Utility Division		97,232	273,628	259,688	(5.1%)	274,526	5.7%
Water Construction, Maintenance, Operations Division							
1422	Water System Maintenance	967,671	1,799,689	2,612,565	45.2%	2,673,302	2.3%
1423	Water Construction	1,515,890	3,803,245	3,886,635	2.2%	4,066,420	4.6%
1424	Water System Operations	4,780,879	9,592,588	10,472,051	9.2%	11,103,755	6.0%
Total Water Construction, Maintenance, Operations Division		7,264,440	15,195,522	16,971,251	11.7%	17,843,477	5.1%
Water Engineering, Compliance, Conservation Division							
1411	Administration Design	1,777,639	4,368,482	4,004,201	(8.3%)	5,083,591	27.0%
1412	Water Quality	129,971	263,881	562,172	113.0%	583,147	3.7%
1413	Water Resources	16,830,139	26,934,988	32,611,327	21.1%	37,497,376	15.0%
Total Water Engineering, Compliance, Conservation Division		18,737,749	31,567,351	37,177,700	17.8%	43,164,114	16.1%
Recycled Water Program Division							
1522	System Maintenance	3,490,858	5,388,969	7,568,135	40.4%	8,790,948	16.2%
1525	South Bay Water Recycling Maintenance	131,608	340,444	666,449	95.8%	711,919	6.8%
Total Recycled Water Program Division		3,622,466	5,729,413	8,234,584	43.7%	9,502,867	15.4%
Sewer Division							
1511	System Administration	2,197,366	4,572,887	5,059,566	10.6%	5,342,860	5.6%
1512	System Maintenance	807,628	2,560,691	2,092,348	(18.3%)	2,216,675	5.9%
1514	Operations	3,929,949	4,733,942	5,532,650	16.9%	19,798,427	257.8%
1515	San José-Santa Clara Water Pollution Control Plant	12,558,471	22,130,188	20,905,661	(5.5%)	22,592,071	8.1%
1516	Storm Pump Maintenance	65,353	176,506	177,279	0.4%	185,613	4.7%
Total Sewer Division		19,558,767	34,174,214	33,767,504	(1.2%)	50,135,646	48.5%
Total by Division / Program		49,280,654	86,940,128	96,410,727	10.9%	120,920,630	25.4%



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Fund						
General Fund	16,650	0	0	0.0%	0	0.0%
Electric Utility Fund	2,813	0	0	0.0%	0	0.0%
Water Utility Fund	26,095,715	47,036,501	54,319,235	15.5%	61,185,602	12.6%
Water Recycling Program Fund	3,622,466	5,729,413	8,234,584	43.7%	9,502,867	15.4%
Sewer Utility Fund	19,543,010	34,174,214	33,856,908	(0.9%)	50,232,161	48.4%
Total by Fund	49,280,654	86,940,128	96,410,727	10.9%	120,920,630	25.4%
Dollars by Category						
Salary and Benefits						
Salary	3,092,857	8,756,134	8,779,520	0.3%	9,318,982	6.1%
As-Needed	93,038	243,484	249,108	2.3%	254,929	2.3%
Overtime	172,995	269,948	279,395	3.5%	289,174	3.5%
Retirement	1,238,168	3,066,109	2,976,751	(2.9%)	3,174,362	6.6%
Health Allocation	357,598	1,119,782	1,248,063	11.5%	1,315,312	5.4%
Medicare	54,617	131,693	132,571	0.7%	140,383	5.9%
Social Security	196,067	542,128	560,811	3.4%	587,842	4.8%
Other Benefits	230,606	387,194	422,327	9.1%	445,264	5.4%
Total Salary and Benefits	5,435,946	14,516,472	14,648,546	0.9%	15,526,248	6.0%
Non-Personnel						
Materials/Services/Supplies	4,438,431	8,024,959	9,480,560	18.1%	10,074,008	6.3%
Resource/Production	29,460,800	51,532,885	60,098,962	16.6%	66,883,335	11.3%
Interfund Services	4,309,753	7,388,150	7,986,223	8.1%	8,125,724	1.7%
Capital Outlay	158,062	0	0	0.0%	0	0.0%
Transfers to Other Funds	5,477,662	5,477,662	4,196,436	(23.4%)	20,311,315	384.0%
Total Non-Personnel	43,844,708	72,423,656	81,762,181	12.9%	105,394,382	28.9%
Total by Category	49,280,654	86,940,128	96,410,727	10.9%	120,920,630	25.4%



Position Summary

		FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Division / Program						
Solar Utility Division						
1532	Solar – System Maintenance	1.50	1.50	1.50	0.00	1.50
Total Solar Utility Division		1.50	1.50	1.50	0.00	1.50
Water Construction, Maintenance, Operations Division						
1422	Water System Maintenance	7.00	7.00	7.00	0.00	7.00
1423	Water Construction	13.80	13.80	13.45	(0.35)	13.45
1424	Water System Operations	12.50	12.50	11.85	(0.65)	11.85
Total Water Construction, Maintenance, Operations Division		33.30	33.30	32.30	(1.00)	32.30
Water Engineering, Compliance, Conservation Division						
1411	Administration Design	11.75	11.75	11.75	0.00	11.75
1412	Water Quality	0.45	0.45	0.85	0.40	0.85
1413	Water Resources	0.25	0.25	0.25	0.00	0.25
Total Water Engineering, Compliance, Conservation Division		12.45	12.45	12.85	0.40	12.85
Recycled Water Program Division						
1522	System Maintenance	1.65	1.65	1.45	(0.20)	1.45
1525	South Bay Water Recycling Maintenance	1.65	1.65	2.65	1.00	2.65
Total Recycled Water Program Division		3.30	3.30	4.10	0.80	4.10
Sewer Division						
1511	System Administration	6.10	6.10	6.25	0.15	6.25
1512	System Maintenance	11.55	11.55	10.15	(1.40)	10.15
1514	Operations	3.80	3.80	4.85	1.05	4.85
1515	SJSC Water Pollution Control Plant	0.10	0.10	0.10	0.00	0.10
1516	Storm Pump Maintenance	0.90	0.90	0.90	0.00	0.90
Total Sewer Division		22.45	22.45	22.25	(0.20)	22.25
Total by Division / Program		73.00	73.00	73.00	0.00	73.00

Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Positions by Fund					
Water Utility Fund	47.25	47.25	46.65	(0.60)	46.65
Water Recycling Program Fund	3.30	3.30	4.10	0.80	4.10
Sewer Utility Fund	22.45	22.45	22.25	(0.20)	22.25
Total by Fund	73.00	73.00	73.00	0.00	73.00

Position Classification					
Assistant Director of Water & Sewer Utility	1.00	1.00	1.00	0.00	1.00
Assistant Engineer (Civil)	2.00	2.00	2.00	0.00	2.00
Assistant Sanitary Sewer Superintendent	1.00	1.00	1.00	0.00	1.00
Assistant Water & Sewer Superintendent	1.00	1.00	0.00	(1.00)	0.00
Assistant Water Superintendent	2.00	2.00	2.00	0.00	2.00
Associate Engineer	2.00	2.00	2.00	0.00	2.00
Code Enforcement Officer	1.00	1.00	1.00	0.00	1.00
Code Enforcement Technician	1.00	1.00	1.00	0.00	1.00
Compliance Manager	1.00	1.00	1.00	0.00	1.00
Director of Water & Sewer Utility	1.00	1.00	1.00	0.00	1.00
Equipment Operator	5.00	5.00	5.00	0.00	5.00
Facilities Inspection Supervisor	1.00	1.00	1.00	0.00	1.00
Facilities Technician	2.00	2.00	2.00	0.00	2.00
Maintenance Systems Specialist	1.00	1.00	0.00	(1.00)	0.00
Management Analyst	2.00	2.00	2.00	0.00	2.00
Office Records Specialist	1.00	1.00	0.00	(1.00)	0.00
Office Specialist II/III	2.00	2.00	3.00	1.00	3.00
Office Specialist IV	1.00	1.00	0.00	(1.00)	0.00
Principal Engineer	1.00	1.00	1.00	0.00	1.00
Pump Maintenance Technician	3.00	3.00	3.00	0.00	3.00
Senior Civil Engineer	1.00	1.00	1.00	0.00	1.00
Senior Engineering Aide	1.00	1.00	1.00	0.00	1.00
Senior Water & Sewer System Operator	1.00	1.00	0.00	(1.00)	0.00
Sewer Inspection Technician	2.00	2.00	2.00	0.00	2.00
Staff Aide I	0.00	0.00	1.00	1.00	1.00
Utilities Conservation Specialist	0.00	0.00	1.00	1.00	1.00
Utility Business Systems Manager	1.00	1.00	1.00	0.00	1.00
Utility Business Systems Specialist	1.00	1.00	1.00	0.00	1.00
Utility Crew Supervisor	7.00	7.00	7.00	0.00	7.00
Utility Operations Engineer	1.00	1.00	1.00	0.00	1.00



Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change	FY 2024/25 Proposed
Position Classification					
Water & Sewer Maintenance Worker II	18.00	18.00	19.00	1.00	19.00
Water & Sewer Superintendent	0.00	0.00	2.00	2.00	2.00
Water & Sewer System Operator	2.00	2.00	1.00	(1.00)	1.00
Water Resource Planner	1.00	1.00	0.00	(1.00)	0.00
Water Resource Specialist	0.00	0.00	1.00	1.00	1.00
Water Service Technician II	5.00	5.00	5.00	0.00	5.00
Total Positions	73.00	73.00	73.00	0.00	73.00














Budget Reconciliation

	Positions	Expenditures (All Funds)
Prior Year Budget	73.00	86,940,128
FY 2023/24 Base Budget Adjustments		
One-Time Cost Adjustments		
Net decrease in transfers to the capital improvement program		(1,281,226)
Ongoing Cost Adjustments		
Salary and benefits adjustments		132,074
Reclassifications of the following positions:		
1.0 Assistant Water & Sewer Superintendent to 1.0 Water & Sewer Superintendent	0.00	
1.0 Maintenance Systems Specialist to 1.0 Water & Sewer Superintendent	0.00	
1.0 Senior Water & Sewer System Operator to 1.0 Utilities Conservation Specialist	0.00	
1.0 Water & Sewer System Operator to 1.0 Water & Sewer Maintenance Worker II	0.00	
1.0 Water Resource Planner to 1.0 Water Resource Specialist	0.00	
1.0 Office Records Specialist to 1.0 Staff Aide I	0.00	
1.0 Office Specialist IV to 1.0 Office Specialist III	0.00	
Increase in resource and production costs		
Water Utility		5,897,819
Water Recycling Utility		2,115,600
Sewer Utility		552,658
Adjustments to right-of-way expense		1,133,680
Net increase in various internal service fund allocations		598,073
Non-personnel adjustments		321,921
Total FY 2023/24 Base Budget Adjustments	0.00	9,470,599
Total FY 2023/24 Base Budget	73.00	96,410,727
Total FY 2023/24 Proposed Budget	73.00	96,410,727
FY 2024/25 Base Budget Adjustments		
One-Time Cost Adjustments		
Net increase in transfers to the capital improvement program		16,114,879
Ongoing Cost Adjustments		
Salary and benefit adjustments		877,702
Increase in resource and production costs		
Water Utility		5,006,752
Water Recycling Utility		1,158,800
Sewer Utility		618,821
Adjustments to right-of-way expense		519,790
Net increase in various internal service fund allocations		139,501
Non-personnel adjustments		73,658
Total FY 2024/25 Base Budget Adjustments	0.00	24,509,903
Total FY 2024/25 Base Budget	73.00	120,920,630
Total FY 2024/25 Proposed Budget	73.00	120,920,630













Performance and Workload Measures

Solar Utility Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Number of systems provided with semi-annual winterization service		110	42	55	55	40	40
Number of removal and reinstallation requests – <i>Delete for FY 2023/24</i>		3	6	6	6	N/A	N/A
Number of requests for solar system repairs – <i>New for FY 2023/24</i>		N/A	87	N/A	80	80	80
Water Construction, Maintenance, Operations Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Maintain an industry standard for unaccounted water of 8% or less – <i>Modified for FY 2023/24</i>		6.3%	5.5%	8% or less	5.0%	8% or less	8% or less
Respond to customer service requests within 30 minutes of receipt of calls (excluding scheduled appointments and after hours call back requests) – <i>Delete for FY 2023/24</i>		93%	90%	80%	N/A	N/A	N/A
Workload Measures							
Number of responses to water customer service requests – <i>Modified for FY 2023/24</i>		1,363	2,055	1,600	1,600	1,600	1,600
Number of backflow prevention devices tested		3,700	3,811	2,000	3,700	3,900	3,900
Number of linear feet of water mains installed		8,563	6,889	5,000	8,870	10,000	10,000
Number of new service installations – <i>Delete for FY 2023/24</i>		68	68	80	70	N/A	N/A
Number of underground utility locates performed		14,447	18,009	3,000	10,000	10,000	10,000
Perform routine maintenance on City fire hydrants – <i>Delete for FY 2023/24</i>		270	N/A	600	600	N/A	N/A











Performance and Workload Measures

Water Construction, Maintenance, Operations Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Number of production meters read and recorded – <i>Delete for FY 2023/24</i>		1,080	600	600	600	N/A	N/A
Number of mainline water valves tested and exercised		1,450	840	400	800	2,500	2,500
Water Line Flushing for Water Quality – <i>New for FY 2023/24</i>		N/A	25	N/A	25	50	50
Water Engineering, Compliance, Conservation Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Complete review of plans by the required due dates		78%	83%	90%	85%	90%	90%
Respond to customer service requests within 30 minutes of receipt of calls (excluding scheduled appointments and after hours call back requests) – <i>Delete for FY 2023/24</i>		93%	N/A	80%	N/A	N/A	N/A
Residential water use measure in Gallons per Capita per Day – <i>New for FY 2023/24</i>		63	56	N/A	55	55	55
Overall City water use measure in Gallons per Capita per Day – <i>New for FY 2023/24</i>		124	118	N/A	118	117	117
Workload Measures							
Number of plans reviewed		1,035	1,004	400	1,000	900	900
Number of water quality samples processed		3,012	3,018	2,800	3,000	3,000	3,000
Promote water conservation at public events		0	4	4	5	10	10















Performance and Workload Measures

Recycled Water Program Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Provide all operations and maintenance services as required in Agreement for Services – <i>Delete for FY 2023/24</i>		100%	100%	100%	100%	N/A	N/A
Citywide use of recycled water (measured in million gallons per day) – <i>New for FY 2023/24</i>		3.2	3.4	N/A	3.4	3.5	3.5
Workload Measures							
Number of recycled water plans reviewed – <i>New for FY 2023/24</i>		232	269	N/A	250	250	250

Sewer Division							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Percentage of sanitary sewer overflows reported to the State CIQWS database within the time frame required by regulations – <i>Delete for FY 2023/24</i>		100%	100%	100%	100%	N/A	N/A
Provide all preventative and routine maintenance as specified in operations and maintenance manual – <i>Delete for FY 2023/24</i>		100%	100%	100%	100%	N/A	N/A
Provide sufficient funding for all Water Pollution Control Plant (WPCP) approved projects – <i>Delete for FY 2023/24</i>		100%	100%	100%	100%	N/A	N/A
Provide all preventative and routine maintenance as specified in operations and maintenance manuals – <i>Delete for FY 2023/24</i>		100%	100%	100%	100%	N/A	N/A
Percentage of food service establishments found to be in compliance with Fats, Oil and Grease regulations – <i>New for FY 2023/24</i>		N/A	N/A	N/A	100%	100%	100%



Performance and Workload Measures

Sewer Division							
Workload Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Prepare annual Sewer Revenue Program (as required for federal program and WPCP cost distribution) by due dates each year – <i>Delete for FY 2023/24</i>		2	2	2	2	N/A	N/A
Prepare monthly status reports and Treatment Plant Advisory Committee (TPAC) agenda reports – <i>Delete for FY 2023/24</i>		12	12	12	12	N/A	N/A
Number of linear feet of mainlined jetted		187,986	183,351	350,000	200,000	300,000	300,000
Number of reportable sewer spills – <i>Delete for FY 2023/24</i>		0	0	< 3	2	N/A	N/A
Number of pump and metering stations inspections performed – <i>Delete for FY 2023/24</i>		396	396	396	396	N/A	N/A
Support TPAC members to represent the City in matters relating to the WPCP at monthly meetings – <i>Delete for FY 2023/24</i>		10	12	12	12	N/A	N/A
Number of storm pump stations inspected – <i>Delete for FY 2023/24</i>		408	408	408	408	N/A	N/A
Coordinate annual load test for generators – <i>Delete for FY 2023/24</i>		5	5	10	10	N/A	N/A
Number of reportable Sanitary Sewer Overflows – <i>New for FY 2023/24</i>		1	0	0	2	0	0
Number of responses to Sewer customer services requests – <i>New for FY 2023/24</i>		N/A	1,527	N/A	N/A	1,500	1,500
Number of linear feet of sewer mains inspected using CCTV – <i>New for FY 2023/24</i>		N/A	13,211	N/A	15,000	300,000	300,000
Number of inspections of food serving establishments for compliance with Fats, Oils and Grease regulations – <i>New for FY 2023/24</i>		N/A	N/A	N/A	N/A	150	150

This page is intentionally left blank.

Non-Departmental

This page is intentionally left blank.



Non-Departmental Description

The Non-Departmental budget provides a way to report expenditures that are not attributable to a single department, but rather, are citywide in nature such as inter-departmental transfers for capital projects and community grants. This budget also houses key positions with citywide functions and responsibilities.

Divisions and Services

Non-Departmental has three primary program areas: Citywide Programs; Citywide Strategic Planning and Initiatives; and Stadium Operations. The Debt Service budget information is reflected in the Debt Service section of this document.

Citywide Programs Division Mission	Provide strategic direction and management of community investments and citywide expenses not attributable to a single department.
	Coordinate the timely award and distribution of community grants to qualifying individuals, groups and community organizations for events, activities and competitions that provide a public benefit to the City of Santa Clara and its residents.
Division Objectives	Invest in the community's cultural, economic and social vitality in collaboration with community organizations and business partners
	Oversee the efficient and cost-effective management of utilities in Citywide facilities.
	Facilitate the accounting and efficient transfer of funding in support the City's Capital Improvement Program.



**Citywide Strategic
Planning and
Initiatives
Division Mission**

Provide strategic leadership and resolve complex administrative matters performing City-wide policy analysis, overseeing contract and venue management and leading community engagement processes.

Provide professional expertise and support to lead strategic planning and economic development initiatives

Division Objectives

Provide general and administrative oversight of and support to the Convention Center, the Santa Clara Tourism Improvement District (SCTID), and Silicon Valley/Santa Clara DMO, Inc. dba Discover Santa Clara®, Santa Clara's Destination Marketing Organization (DMO). As a critical economic development strategy, leads collaborative efforts with key stakeholders to implement a comprehensive tourism strategy focused on providing elevated destination, convention, and visitor services in Santa Clara; while ensuring alignment of marketing and booking goals between the Convention Center, SCTID and DMO which collectively enhance economic growth and city revenues.

Provide management of the City's real estate portfolio, promote economic development, and generate revenue for the General Fund.

Promote an organizational vision for sustainability through the development and oversight of current initiatives and the development of a comprehensive citywide sustainability program that advances local climate and sustainability targets and complies with State environmental regulations.



Stadium Operations Division Mission

Provide general and administrative support to the Santa Clara Stadium Authority in its oversight of Levi's Stadium and deployment of public safety resources at National Football League (NFL) games and non-NFL games held at Levi's Stadium to ensure safety and to minimize impacts to the surrounding residential and business community.

All General and Administrative, and Police, Fire, and Public Works Department expenditures related to the Stadium are included in this division.

The reimbursements from the Santa Clara Stadium Authority and the Forty-Niners Stadium Management Company, LLC (Stadium Manager) and other Stadium-related revenues such as ground and performance rent, are reported in this division but displayed separately in the General Fund revenues section of this document.

Ensure compliance with Measure J.

Maintain a productive and functional business relationship with Forty-Niners SC Stadium Company, LLC as the tenant of Levi's Stadium.

Develop and implement oversight initiatives consistent with public entity organizations.

Division Objectives

Provide support from the Police, Fire, and Public Works Departments and work collaboratively with the Stadium Manager to maintain a safe environment in and around Levi's Stadium during NFL games and Non-NFL events.

Uphold the Santa Clara Stadium Authority's fiduciary responsibilities and debt obligations.

Ensure that Levi's Stadium is maintained in good condition and operated as a quality NFL and multi-purpose public sports, exhibit, and entertainment facility by the Stadium Manager.

Significant Accomplishments

Citywide Projects

- On November 8, 2022, voters approved Measure G – No Tax Increase, Services Protection Measure, continuing the current practice of the transfer of the revenue generated from the city's 5% utility tax from the utilities budget to the General Fund. Measure G will protect essential services without raising taxes, anticipated to generate approximately \$30,000,000 annually to support City service such as police, fire, street repairs, parks, libraries, and senior services.
- On November 8, 2022, voters approved Measure H – Business License Update/Tax Equity Measure, increasing Santa Clara's 1992 business license tax on businesses to \$45 per employee and \$15 per rental unit on landlords. Measure H will generate approximately \$6,000,000 annually in unrestricted fund that will be used to maintain essential City services.
- Completed multi-year settlement agreement with San José for the North San Jose Area Development Policy resulting in an additional \$9 million for the City of Santa Clara.

Community Partnerships

- Worked collaboratively with Triton Museum to extend the term of its Lease and Operation Agreement for an additional five years to continue providing free public access to art exhibitions and educational programs.
- Worked collaboratively to provide in-kind support for the Parade of Champions (\$65K) and Showtime events (\$12K).
- Effectively administered funding to non-profit community organizations that provide services to the Santa Clara community. Since July 2022, seven grants have been awarded for a total of \$55,479.

Real Estate Management

- Executed approximately 45 leases and 15 Purchase Orders for operations and maintenance for Commerce and Peddlers Plaza.
- Coordinated with the Downtown Community Task Force for downtown city properties (over 35 task force meeting multi-year process).
- Started surplus land process for the property at 2319 Gianera Street (vacant single family home).
- Completed surplus land process for the Loyalton property.
- Renegotiated lease extension for Morse Mansion and initiated discussions regarding possible new vision.
- Started analysis to determine feasibility to relocate SVP offices to Commerce Plaza.
- Completed selection of a realtor to support the City on the sale of City property and other services.

Santa Clara Convention Center and Economic Development Strategy

- Completed the Santa Clara Tourism Improvement District conversion process to establish the District under the Property and Business Improvement District Law of 1994 which provides for a dedicated funding stream to support Destination Marketing Organization efforts and operations. This included the modernization of the assessment formula from \$1.00 per occupied room night to 1.5% of gross short-term room rental revenue for FY 2021/22 and 2.0% for FY 2022/23 and beyond.
- Worked collaboratively with the Destination Marketing Organization in the creation of a new destination brand and the successful trademark of Discover Santa Clara®.
- Contracted by the Destination Marketing Organization to provide fiscal sponsorship services in addition to professional staffing services to support the further development and implementation of the organization.



- Completed updates/renovations to the Santa Clara Convention Center including new paint and flooring/carpet, addition of new décor and furniture in common space areas; addition of the Vintage Valley Marketplace, a “grab and go” retail location; addition of new autonomous food offerings of ramen, warm baked goods, and smoothies; and pop-up Mashgin self-check-out markets.
- Completed the development and launch of a new online Santa Clara Convention Center Customer Satisfaction Survey Program in FY 2022/23.

Sustainability

- Adopted an update to the City Climate Action Plan (CAP) after over two years of community and stakeholder outreach that set targets of a 40% reduction in GHG emissions by 2030, an 80% reduction in GHG emissions by 2035 and carbon neutrality no later than 2045.
- Actively participated in regional climate collaboration efforts and policy development through partnerships such as the Santa Clara County Climate Collaborative, the Silicon Valley Urban Forest Alliance, Joint Ventures Silicon Valley, Santa Clara Valley Water, the Building Decarbonization Coalition, and other neighboring jurisdictions.
- Implemented new purchasing practices around required paper procurement to comply with SB 1383 organics mandate which requires jurisdictions (cities, counties, cities and counties, or special districts that provide solid waste collection services) to purchase paper that has a minimum of 30% post-consumer recycled-content (PCRC) paper products that are recyclable.
- Water Conservation:
 - Expanded water rebate offerings such as greywater and landscape conversion.
 - Launched a multi-pronged water conservation community outreach campaign to promote landscape conversion rebates and more, resulting in over 90,000 square feet of lawn conversions to water wise landscapes.
 - Continued various messaging campaigns focused on the drought and associated water conservation and water rebates.
- Electrification:
 - Implemented all-electric building electrification reach codes including robust EV charging across all building types.
 - Electrification outreach and rebates:
 - SVP partnered with the Santa Clara Unified School District to build out an induction cooking classroom and co-sponsored a twelve-part induction cooking class series to support kitchen electrification.
 - SVP launched a new Smart Panel Rebate program.
 - Added over 100 public EV charging connectors with an equity lens as SVP increases charging service to residents and visitors.
 - Implemented the City Fleet Electrification Program with the purchase of 46 all-electric vehicles as part of the vehicle replacement program and initiated a robust EV fleet charging infrastructure project.
- Clean Mobility:
 - Implemented e-bicycle and e-scooter share program through vendors Veo and Bird.
 - Partnered on the grant funded expansion of the zero emissions Via-Cupertino On-Demand Shuttle service to provide alternative and cleaner modes of transportation.
- Investing in a Sustainable Future:
 - Launched a new SVP Sustainable Futures Scholarship Program in partnership with Santa Clara University focused on building the future leaders in climate and sustainability.
 - Initiated discussions with Mission College to develop a SVP sustainability scholarship program modeled after SVP’s SCU scholarship, scaled, and fit to the community college landscape.



- Provided mentorship opportunities in sustainability to students from high school through university levels, including supporting a team of SCU fellows in their capstone projects and providing mentorship to SVP Sustainable Futures scholarship recipients in research projects that align with City climate action goals.

Stadium Operations

- Coordinated City services, including the deployment of public safety resources, to meet the service needs required to support NFL games for the 2021 and 2022 NFL Seasons and seven (7) major Non-NFL events, including Coldplay, Red Hot Chili Peppers, and Elton John concerts, held in 2022.

COVID-19 Response and Inclement Weather Relief Efforts

- Provided COVID-19 verbal updates to Council monthly beginning in July 2021 and updates every 60 days from April 2022 through January 2023.
- Terminated the local Proclamation of Emergency for COVID-19 on February 7, 2023.
- Deactivated the City's Emergency Operations Center (EOC) for COVID-19 response on February 2, 2023.
- Activated libraries and recreational facilities to provide care and shelter during inclement weather incidents.

Significant Objectives

Community Partnerships

- Effectively administer funding to non-profit community organizations that provide services to the Santa Clara community.

Santa Clara Convention Center and Economic Development Strategy

- Continue to provide strategic oversight of the management of the Convention Center and ensure alignment of marketing and booking goals between the Convention Center, Santa Clara Tourism Improvement District, and the Destination Marketing Organization.
- Continue to work closely with the Convention Center, the Santa Clara Tourism Improvement District and the Destination Marketing Organization (DMO) to evolve the tourism strategy and ongoing development of the DMO.
- Completion of Convention Center Capital Improvement Projects to update internal digital signage and renovations to the Main and Mission kitchens.
- Launch of the Levy's Teaching Kitchen at the Convention Center focused on workforce development and training opportunities for community members in the industry.
- Continue to lead and support the Related development, as well as other significant development projects within the community.

Stadium Operations

- Continue to build and maintain a productive and functional business relationship with Forty-Niners SC Stadium Company, LLC as the tenant of Levi's Stadium in accordance with the applicable agreements.
- Continue to work with the Stadium Manager to ensure safe events at Levi's Stadium with minimal impacts to the surrounding residential and business community.

Real Estate Management

- Continue to develop and implement a comprehensive real estate program to manage City-owned properties, promote economic development, and generate revenue for the General Fund.

Sustainability

- Work with the appropriate City departments to implement near term priorities identified in the 2022 approved City Climate Action Plan (CAP) Update to meet local goals and state regulatory targets.
- Continue to utilize regional partnerships to implement CAP priorities.
- Identify a CAP monitoring system across all departments including conducting an annual greenhouse gas inventory to measure and report progress on adopted targets.
- Ensure continued alignment of the City's CAP with other relevant plans including, but not limited to, Fleet Electrification Plan, SVP Electric Vehicle Blueprint, Bicycle Master Plan, the Santa Clara Urban Water Management Plan (UWMP), and any reach codes that are adopted and meets the goals of state regulatory requirements in the areas of water, solid waste, transportation, and energy.
- Continue to provide mentorship and career growth opportunities for students at the high school, college and university levels including scholarship recipients.
- Explore the development of a sustainability apprenticeship/green jobs program in partnership with local trades or existing apprenticeship programs with an emphasis on energy related careers.
- Continue to implement the City's Fleet Electrification Plan and community Electric Vehicle Charging Program.
- Launch City employee EV charging pilot program.
- Continue to implement and provide staff training on waste reduction best practices and policies within City operations to comply with SB 1383 Organics state mandate.
- Launch an SVP Sustainable Futures Scholarship Program in partnership with Mission College.

Budget Highlights

- The Proposed Budget reduces the golf course maintenance budget to help address the General Fund shortfall. The City's operating lease of the golf course expired, with operations ceasing in FY 2019/20. The former golf course will be developed as part of the Related Santa Clara project; however, the City is currently still responsible for the maintenance of the site until it is turned over completely to the developer. The City anticipates that the remaining funds will be sufficient to cover all maintenance expenses associated with the site.



Summary of the Santa Clara Stadium Authority Budget¹

Revenue	FY2023/24 Adopted
NFL Ticket Surcharge	12,178,000
SBL Proceeds	12,589,000
Interest	1,249,000
Net Revenues from Non-NFL Events	4,500,000
Naming Rights	7,602,000
Sponsorship Revenue (STR)	475,000
Rent	24,762,000
Senior and Youth Program Fees	234,000
Non-NFL Event Ticket Surcharge	1,296,000
Total Revenue	64,885,000

Expenditures	FY2023/24 Adopted
Stadium Operations	4,550,000
Engineering	2,694,000
Guest Services	645,000
Groundskeeping	650,000
Security	1,564,000
Insurance	3,327,000
Stadium Management Fee	354,000
SBL Sales and Service	2,333,000
Ground Rent (Paid to City)	495,000
Senior and Youth Program Fees (paid to City)	234,000
Discretionary Fund Expense	250,000
Utilities	1,391,000
Use of StadCo Tenant Improvements	108,000
Stadium Authority General and Administrative	3,272,000
Stadium Authority Legal Services	300,000
Naming Rights Commission	94,000
Other Expenses	734,000
Transfers Out	36,313,000
Legal Contingency	3,079,500
Total Expenditures	62,387,500

¹Santa Clara Stadium Authority budget was adopted on March 7, 2023 and can be found on the City's website at <https://www.santaclaraca.gov/home/showpublisheddocument/79851/638143129126830000>



Non-Departmental

5.70 FTEs*

Citywide Strategic Planning and Initiatives

0.70 Convention Center / Assistant to the City Manager
1.00 Stadium Oversight / Assistant to the City Manager
1.00 Sustainability Manager / Assistant to the City Manager
1.00 Development Project Manager
1.00 Emergency Services Officer
1.00 Management Analyst

5.70 Total Citywide Strategic Planning and Initiatives FTE

**The positions above represent all funded positions. This excludes the 1.0 Deputy City Manager and 1.0 Office Specialist III positions that were frozen, as approved by the City Council on March 9, 2021 (Agenda Item 5.0 – Report to Council 21-402). This position count also includes 1.0 Management Analyst position that was previously approved in the Stadium Authority Budget.*



Budget Summary

		FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program							
Citywide Programs Division							
3611	Citywide Programs	62,075,671	16,666,968	24,217,030	45.3%	20,746,060	(14.3%)
8011	Sports and Open Space Authority	9,163	5,420	10,000	84.5%	10,200	2.0%
Total Citywide Programs Division		62,084,834	16,672,388	24,227,030	45.3%	20,756,260	(14.3%)
Citywide Strategic Planning and Initiatives Division							
3631	Strategic Planning and Initiatives	1,261,237	1,780,506	1,959,037	10.0%	2,056,210	5.0%
8014	Convention Center	9,613,568	14,373,644	15,822,999	10.1%	17,998,249	13.7%
Total Citywide Strategic Planning and Initiative Division		10,874,805	16,154,150	17,782,036	10.1%	20,054,459	12.8%
Stadium Operations Division¹							
3621	Stadium - General Administration	914,010	1,070,045	1,387,820	29.7%	1,443,333	4.0%
3622	Stadium - Police	4,571,994	4,996,010	6,322,811	26.6%	6,574,560	4.0%
3623	Stadium - Fire	236,664	470,192	439,905	(6.4%)	457,388	4.0%
3624	Stadium - Public Works	348,011	747,600	520,816	(30.3%)	541,647	4.0%
3625	Stadium - Information Technology	0	80,300	94,000	17.1%	105,760	12.5%
Total Stadium Operations Division		6,070,679	7,364,147	8,765,352	19.0%	9,122,688	4.1%
Total by Division / Program		79,030,318	40,190,685	50,774,418	26.3%	49,933,407	(1.7%)

¹ Santa Clara Stadium Authority budget is posted on the City's website at <https://www.santaclaraca.gov/home/showpublisheddocument/79851/638143129126830000>



Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Fund						
General Fund	69,255,479	25,811,621	34,660,836	34.3%	31,638,763	(8.7%)
Convention Center Enterprise Fund	9,613,568	14,373,644	16,103,582	12.0%	18,284,444	13.5%
Other City Departments Operating Grant Trust Fund	152,108	0	0	N/A	0	N/A
Sports and Open Space Authority Fund	9,163	5,420	10,000	84.5%	10,200	2.0%
Total by Fund	79,030,318	40,190,685	50,774,418	26.3%	49,933,407	(1.7%)

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Category						
Salary and Benefits						
Salary	1,865,128	4,509,279	4,653,023	3.2%	4,825,883	3.7%
As-Needed	906,287	1,498,199	1,422,886	(5.0%)	1,479,801	4.0%
Overtime	1,735,883	2,865,613	3,054,777	6.6%	3,176,967	4.0%
Retirement	393,378	472,793	373,180	(21.1%)	397,855	6.6%
Health Allocation	69,418	76,122	88,034	15.6%	92,148	4.7%
Medicare	16,508	16,858	16,482	(2.2%)	17,479	6.0%
Social Security	54,211	51,145	54,856	7.3%	55,311	0.8%
Other Benefits	486,963	413,913	425,852	2.9%	442,579	3.9%
Total Salary and Benefits	5,527,776	9,903,922	10,089,090	1.9%	10,488,023	4.0%
Non-Personnel						
Materials/Services/Supplies	12,236,835	18,751,736	21,508,140	14.7%	23,867,592	11.0%
Interfund Services	368,288	538,987	8,405,235	1459.5%	8,806,953	4.8%
Capital Outlay	165	62,900	0	(100.0%)	0	N/A
Transfers to Other Funds	60,897,254	10,933,140	10,771,953	(1.5%)	6,770,839	(37.1%)
Total Non-Personnel	73,502,542	30,286,763	40,685,328	34.3%	39,445,384	(3.0%)
Total by Category	79,030,318	40,190,685	50,774,418	26.3%	49,933,407	(1.7%)



Position Summary

	FY 2021/22 Adopted	FY 2022/23 Adopted*	FY 2023/24 Proposed*	FY 2023/24 Change	FY 2024/25 Proposed*
Positions by Division / Program					
Citywide Strategic Planning and Initiatives Division					
3631 Strategic Programs and Initiatives	6.50	6.50	5.70	(0.80)	5.70
Total Citywide Strategic Planning and Initiatives Division	6.50	6.50	5.70	(0.80)	5.70
Total by Division / Program					
	6.50	6.50	5.70	(0.80)	5.70
Positions by Fund					
General Fund	4.00	5.00	5.00	0.00	5.00
Convention Center Enterprise Fund	1.50	1.50	0.70	(0.80)	0.70
Related Santa Clara Developer Fund	1.00	0.00	0.00	0.00	0.00
Total by Fund	6.50	6.50	5.70	(0.80)	5.70
Position Classification					
Assistant to the City Manager	2.00	2.00	0.00	(2.00)	0.00
Convention Center / Assistant to the City Manager	1.00	1.00	0.70	(0.30)	0.70
Stadium Oversight / Assistant to the City Manager	1.00	1.00	1.00	0.00	1.00
Sustainability Manager / Assistant to the City Manager	1.00	1.00	1.00	0.00	1.00
Development Project Manager	0.00	0.00	1.00	1.00	1.00
Emergency Services Officer	0.00	0.00	1.00	1.00	1.00
Deputy City Manager	1.00	0.00	0.00	0.00	0.00
Management Analyst	0.00	1.00	1.00	0.00	1.00
Office Specialist III	0.50	0.50	0.00	(0.50)	0.00
Total Positions	6.50	6.50	5.70	(0.80)	5.70

*The positions above represent all funded positions. This excludes the 1.0 Deputy City Manager and 1.0 Office Specialist III positions that were frozen, as approved by the City Council on March 9, 2021 (Agenda Item 5.0 – Report to Council 21-402). This position count also includes 1.0 Management Analyst position that was previously approved in the Stadium Authority Budget.



Budget Reconciliation

	Positions	Expenditures (All Funds)
Prior Year Budget	6.50	40,190,685
FY 2023/24 Base Budget Adjustments		
One-Time Cost Adjustments		
Convention Center Budget Adjustments		1,738,251
Adjustments to transfers to other funds		(161,187)
Ongoing Cost Adjustments		
Salary and benefits adjustments		352,460
Reallocation of 0.5 Office Specialist III to the City Manager's Office	(0.50)	(73,773)
Reallocation of 0.3 Assistant to the City Manager to the City Manager's Office	(0.30)	(93,599)
Reclassification of 2.0 Assistant to the City Managers to:	0.00	
1.0 Development Project Manager		
1.0 Emergency Services Officer		
Reallocation of items previously budgeted in the Special Liability Insurance Fund:		
Insurance Claims costs		3,059,345
Insurance costs		2,506,776
Property Insurance		2,336,523
Ebix Contract		36,750
Various Stadium non-personnel budget adjustments		1,291,600
Accela licensing increase		72,425
Parade of Champion (in-kind services funding)		60,000
Adjustment to Sports and Open Space Authority allocation		4,580
Net decrease to various internal service fund allocations		(36,396)
Non-personnel adjustments		(64,711)
Total FY 2023/24 Base Budget Adjustments	(0.80)	11,029,044
Total FY 2023/24 Base Budget	5.70	51,219,729
Service Level Changes		
Reduction in Golf Course Maintenance		(445,311)
Total Service Level Changes	0.00	(445,311)
Total FY 2023/24 Proposed Budget	5.70	50,774,418



Budget Reconciliation

	Positions	Expenditures (All Funds)
FY 2024/25 Base Budget Adjustments		
One-Time Cost Adjustments		
Convention Center Budget Adjustments		2,162,611
Adjustments to transfers to other funds		(4,001,114)
Ongoing Cost Adjustments		
Salary and benefits adjustments		398,833
Reallocation of items previously budgeted in the Special Liability Insurance Fund:		
Insurance Costs		250,678
Property Insurance		116,826
Insurance Claims costs		20,666
Various Stadium non-personnel adjustments		103,680
Non-personnel adjustments		102,167
Net increase to various internal service fund allocations		13,548
Total FY 2024/25 Base Budget Adjustments	0.00	(832,105)
Total FY 2024/25 Base Budget	5.70	49,942,313
Service Level Changes		
Reduction in Golf Course Maintenance		(8,906)
Total Service Level Changes	0.00	(8,906)
Total FY 2024/25 Proposed Budget	5.70	49,933,407



Non-Departmental Detail

	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2024/25 Proposed
Citywide Programs Division			
Citywide Programs			
Accela Licensing	462,814	546,938	563,654
CalPERS Replacement Benefit Fund	367,991	382,711	398,019
City Council Contingency Fund	29,621	31,743	33,908
City Facilities Utilities - Electric	339,405	352,981	367,100
City Facilities Utilities - Garbage	42,938	44,656	46,442
City Facilities Utilities - Gas	65,480	68,099	70,823
City Facilities Utilities - Miscellaneous	2,924	3,041	3,163
City Facilities Utilities - Sewer	28,174	29,301	30,473
City Facilities Utilities - Water	56,265	58,516	60,857
City Manager Special Initiatives	16,483	24,973	33,632
Citywide Training	106,121	97,309	99,655
Community Grants Program	92,121	94,243	96,408
Community Outreach	241,057	245,878	250,796
EBIX Contract	0	36,750	38,588
Golf and Tennis Maintenance	582,422	74,000	75,480
Insurance Claims	0	3,059,345	3,080,011
Insurance Costs	0	2,506,776	2,757,454
Mission City Scenes	19,102	19,484	19,874
Parade of Champions (In-Kind Services)	0	60,000	61,200
Pension/OPEB Trust Program Administration	23,347	23,814	24,290
Property Insurance	0	2,336,523	2,453,349
Santa Clara Ballet	10,000	10,000	10,000
Separation Payouts	1,845,972	1,882,891	1,920,549
Silicon Valley Animal Control Authority	1,109,730	1,133,519	1,157,783
Sister Cities Association	5,659	5,659	5,659
Sports and Open Space Authority	5,420	10,000	10,200
Transfers to Capital Improvement Program			
Annual Creek Trail Rehabilitation Program	0	200,000	0
Annual Curb Ramp Installation	150,000	150,000	0
Bridge Maintenance Program	560,000	740,000	710,000
Central Park Library - Concrete Sidewalk Replacement	273,000	0	0
Defibrillator/Monitor Replacements	70,000	70,000	0
El Camino Specific Plan	1,000,000	0	0
FHRMS Update Project	39,283	39,283	39,283
Morse Mansion Maintenance and Repair	50,000	50,000	0
Precise Plan for Downtown	325,000	0	0
Protective Equipment Replacement	416,536	357,374	234,374
Public Works Capital Projects Management	2,601,682	2,544,792	2,714,233
Repair to Historic Buildings	100,000	100,000	0
Repairs - Modifications to City Buildings	150,000	175,000	0
Replacement SCBA Filling Stations	100,000	0	0

Non-Departmental Detail

	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2024/25 Proposed
Citywide Programs Division			
Citywide Programs			
Transfers to Capital Improvement Program (cont'd.)			
Safe Routes to School	90,000	90,000	0
SDPS Motor and Control Maintenance, Repair, and Replacement	148,000	408,000	0
Sidewalk, Curb and Gutter Repair	300,000	300,000	0
Stationary Standby Generators	920,000	1,111,000	0
Storm Drain Pump Station Facility Maintenance and Repair	113,000	71,000	0
Storm Drain Slide Gate Rehabilitation	500,000	0	0
Street Tree Services	419,000	463,050	0
Traffic Engineering Consultant Support	100,000	100,000	0
Transportation Demand Management	200,000	0	0
Triton Museum Repair and Modifications	0	35,000	0
Urban Runoff Pollution Prevention Program	0	300,000	0
Utility Management Information System (UMIS) Enhancements	0	1,000	1,000
Transfers to Capital Improvement Program Subtotal	8,625,501	7,305,499	3,698,890
Transfer to Cemetery Fund	870,000	796,000	823,000
Transfer to Fire Development Services Fund	0	500,000	0
Transfer to Fire Operating Grant Trust Fund	0	626,000	770,000
Transfer to Parks and Recreation Operating Grant Trust Fund	0	27,445	27,445
Transfer to Public Facilities Financing Fund			
2013 Refunding Certificates of Participation	1,402,275	1,402,440	1,405,940
Transfer to Public Facilities Financing Fund Subtotal	1,402,275	1,402,440	1,405,940
Transfer to Land Sale Reserve	0	0	0
Transfer to Solid Waste Utility Fund	35,364	35,364	35,364
Transfer to Sports and Open Space Authority Fund	0	10,000	10,200
Transfer to Reserves	0	69,205	0
Triton Museum	266,202	295,927	296,054
Women's League - Showtime	20,000	20,000	20,000
Citywide Programs Subtotal	16,672,388	24,227,030	20,756,260
Citywide Strategic Planning and Initiatives Division			
Citywide Strategic Planning and Initiatives			
Citywide Strategic Planning and Initiatives Positions	1,785,684	1,679,358	1,779,661
City Memberships	187,621	202,708	206,761
Internal Services Fund Allocations	264,495	295,369	300,825
Santa Clara Convention Center	13,866,350	15,604,601	17,767,212
Task Force on Diversity, Equity and Inclusion	50,000	0	0
Citywide Strategic Planning and Initiatives Subtotal	16,154,150	17,782,036	20,054,459



Non-Departmental Detail

	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2024/25 Proposed
Stadium Operations Division			
Stadium – General Administration			
City Attorney	136,095	124,447	129,425
City Council	5,670	7,560	7,862
City Clerk	23,517	88,896	92,452
City Manager	467,998	474,211	493,179
Community Development	3,003	7,973	8,292
Finance	424,530	552,363	574,458
Human Resources	2,593	20,049	20,851
Information Technology	3,320	16,306	16,958
Public Works	3,319	3,439	3,577
Stadium Neighborhood Relations Committee - City Manager	0	38,789	40,341
Stadium Neighborhood Relations Committee - Community Development	0	25,102	26,106
Stadium Neighborhood Relations Committee - Fire	0	4,793	4,985
Stadium Neighborhood Relations Committee - Police	0	19,106	19,870
Stadium Neighborhood Relations Committee - Public Works	0	4,786	4,977
Stadium – General Administration Subtotal	1,070,045	1,387,820	1,443,333
Stadium – Fire			
Levi's Stadium NFL Regular	16,500	10,708	11,136
Levi's Stadium NFL As-Needed	0	236,702	246,170
Levi's Stadium NFL OT	179,400	0	0
Levi's Stadium Non-NFL Regular	10,100	8,369	8,704
Levi's Stadium Non-NFL As-Needed	0	153,732	159,881
Levi's Stadium Non-NFL OT	171,000	0	0
Levi's Stadium General Regular	16,000	13,120	13,645
Levi's Stadium General OT	25,200	1,143	1,188
Levi's Stadium General Supplies	14,100	10,000	10,320
Levi's Stadium General Equipment Maintenance	37,892	6,131	6,344
Stadium – Fire Subtotal	470,192	439,905	457,388
Stadium – Public Works			
Levi's Stadium NFL Regular	13,500	24,951	25,949
Levi's Stadium NFL OT	389,400	255,133	265,338
Levi's Stadium Non-NFL Regular	22,500	14,864	15,459
Levi's Stadium Non-NFL OT	283,400	186,587	194,050
Levi's Stadium General Regular	5,700	9,245	9,614
Levi's Stadium General OT	26,900	30,036	31,237
Levi's Stadium General Supplies	6,200	0	0
Stadium – Public Works Subtotal	747,600	520,816	541,647

Non-Departmental Detail

	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2024/25 Proposed
Stadium Operations Division			
Stadium – Information Technology			
Levi's Stadium General IT Outside Services	0	94,000	105,760
Stadium – Information Technology Subtotal	0	94,000	105,760
Stadium – Police			
Levi's Stadium NFL Regular	69,300	93,928	97,685
Levi's Stadium NFL As-Needed	702,500	548,298	570,230
Levi's Stadium NFL OT	977,000	1,593,067	1,656,790
Levi's Stadium Non-NFL Regular	50,600	85,876	89,311
Levi's Stadium Non-NFL As-Needed	21,200	416,611	433,275
Levi's Stadium Non-NFL OT	744,500	822,052	854,934
Levi's Stadium General Regular	42,700	12,586	13,090
Levi's Stadium General As-Needed	663,700	67,543	70,245
Levi's Stadium General OT	9,213	166,759	173,430
Levi's Stadium General Supplies	19,900	43,000	44,720
Levi's Stadium General Stadium Authority Equipment Maintenance	48,227	31,091	32,170
Medical Insurance	0	19,000	19,760
Law Enforcement Liability Insurance	0	151,000	157,040
NFL Outside Agency - CA Highway Patrol	419,000	900,000	936,000
NFL Outside Agency - Santa Clara County	158,300	240,000	249,600
NFL Outside Agency - City and County of San Francisco	0	270,000	280,800
NFL Outside Agency - City of Sunnyvale	0	10,000	10,400
Non-NFL Outside Agency - CA Highway Patrol	271,000	504,000	524,160
Non-NFL Outside Agency - Santa Clara County	84,200	132,000	137,280
Non-NFL Outside Agency - County of San Francisco	11,400	96,000	99,840
Non-NFL Outside Agency - City of Sunnyvale	14,800	8,000	8,320
Levi's Stadium General Contractual Services	28,500	9,000	9,360
Levi's Stadium NFL IT Outside Services	23,600	0	0
Levi's Stadium Non-NFL IT Outside Services	12,500	0	0
Levi's Stadium General IT Outside Services	44,200	0	0
Silicon Valley Regional Interoperability Authority	0	78,000	81,120
Stadium Radio Service Contract	62,900	25,000	25,000
Public Safety Stadium-Related Training Program	408,697	0	0
Citywide Strategic Planning Function	188,373	0	0
Stadium – Police Subtotal	5,076,310	6,322,811	6,574,560
Total Non-Departmental	40,190,685	50,774,418	49,933,407

Service Level Changes

Title	Positions	FY 2023/24		FY 2024/25	
		One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)	One-Time Expenditures (All Funds)	Ongoing Expenditures (All Funds)
Reduction in Golf Course Maintenance	0.00	0	(445,311)	0	(454,217)

Program: 3611 – Citywide Programs

This proposal reduces the Non-Departmental golf course maintenance budget from \$519,311 to \$74,000. The City's operating lease of the golf course expired, with operations ceasing in FY 2019/20. The former golf course will be developed as part of the Related Santa Clara project; however, the City is currently still responsible for the maintenance of the site until it is turned over completely to the developer. The City anticipates that the remaining funds will be sufficient to cover all maintenance expenses associated with the site.

Performance Impact

As the golf course ceased operations in FY 2019/20, there is no service delivery impact anticipated with this reduction.




Strategic Pillar:

















Manage Strategically Our Workforce Capacity and Resources



Performance and Workload Measures

Non-Departmental							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Enhanced risk management practices resulting in reduction to citywide claim losses (% reduction) – <i>Moved to Human Resources for FY 2023/24</i>		(46%)	N/A	4%	N/A	N/A	N/A
Workload Measures							
Enhanced risk management practices resulting in reduction to citywide claim losses (number of claims) – <i>Moved to Human Resources for FY 2023/24</i>		114	N/A	75	N/A	N/A	N/A
Number of City properties managed		23	18	18	22	25	25

Performance and Workload Measures

Convention Center OVG360 Venue Management							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 ¹ Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Convention Center Gross Revenue		N/A	\$8.5 m	\$13.6 m	\$13 m	\$15.7 m	\$18.1 m
Net Income		N/A	\$1.7 m	(\$0.2 m)	\$0.25 m	\$0.1 m	\$0.4 m
Economic Impact ²		N/A	\$32 m	\$17.2 m	\$30 m	\$24.4 m	\$27.2 m
Customer Service Survey Results (overall satisfaction)		N/A	90%	85%	85%	85%	85%
Event Mix at the Convention Center (consumed)							
Percent of P1 Events ³		N/A	0%	1%	0%	0.5%	1%
Number of P1 Events		N/A	0	3	0	1	2
Percent of P2 Events ⁴		N/A	0%	2%	0%	1%	2%
Number of P2 Events		N/A	0	6	0	2	4
Percent of P3 Events ⁵		N/A	9%	6%	8%	15%	15%
Number of P3 Events		N/A	14	24	20	33	39
Percent of P4 Events ⁶		N/A	9%	18%	17%	19.5%	20%
Number of P4 Events		N/A	15	67	38	43	50
Percent of P5 Events ⁷		N/A	82%	74%	75%	64%	62%
Number of P5 Events		N/A	133	274	178	141	160

¹ Updates to the Convention Center Booking Strategy went into effect April 1, 2023. Adjustments were made to the booking windows as well as the event type criteria (number of room nights and total Convention Center spend). The adjusted booking windows now provide a greater emphasis on P1 – P3 groups and events to ensure there is room for the highest revenue producing groups for the DMO, hotels, Convention Center, Levy, and the City. Groups are evaluated based upon priority number, current market conditions, day-of-week pattern, type of group (i.e., industry), Center revenue, and needs of all parties on a case-by-case basis.

² Economic impact is the amount of additional spending that occurs in the community by visitors while attending events at a Convention Center. For example, when Convention Center event attendees come to Santa Clara, they create economic activity that ripples throughout the area: stay at hotels, eat at restaurants, buy at retail stores, visit attractions, etc.

³ Priority 1 (P1) event – Large multi-day convention and/or conference that utilizes all venue space at the Convention Center, utilizes significant venue services such as food and beverage, audio-visual and information technology, and draws a substantial number of out of town visitors that stay in multiple Santa Clara hotels. Based on projected combined building spend and peak hotel room nights booked, has an 18+ month booking window.

⁴ Priority 2 (P2) event – Primarily large multi-day convention and/or conference that utilizes most of the venue space at the Convention Center, utilizes venue services such as food and beverage, audio-visual and information technology, and draws out of town visitor that stay in multiple Santa Clara hotels. Based on projected combined building spend and peak hotel room nights booked, has a 13 – 18 month booking window.

⁵ Priority 3 (P3) event – Multiple or single day event that utilizes space at the Convention Center. Attendance and out of town visitors are less than for a P1 or P2. Examples of P3 events may include trade shows, consumer shows, smaller conventions/conferences, and sporting events. Based on projected combined building spend and peak hotel room nights booked, has a 0 – 13 month booking window.

⁶ Priority 4 (P4) event – Typically a one- or two-day event that utilizes space at the Convention Center. Attendees are primarily local. Special events (e.g. graduations), smaller meetings and/or smaller trade and consumer shows are examples of P4 events. Based on projected combined building spend and peak hotel room nights booked, has 0 -12 month booking window.

⁷ Priority 5 (P5) event – Usually a single day event. Examples of P5 events are banquets, galas, other social type events and meetings. Based on projected combined building spend and peak hotel room nights booked, has a 0 - 6 month booking window.















Performance and Workload Measures

Convention Center OVG360 Venue Management							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Community Benefit							
Percent of Convention Center employees that volunteer in the community		N/A	0%	60%	30%	60%	60%
Percent of small, local and M/WBE businesses/vendors		N/A	11%	20%	11%	20%	20%
Number of room nights consumed		N/A	16,249	14,755	16,000	26,591	32,738
Number of Prospects ⁸ (active)		N/A	240	220	220	220	220
Number of collaborative, community-based events hosted at the Center		N/A	0	2	1	2	2

⁸ A prospect is a potential customer who has been contacted and qualified by the sales team as having desirable criteria for an event in Santa Clara such as: size of event fits in the venue, there is a history of hotel needs that can be provided by Santa Clara hotels, and they have expressed interest in holding an event in Santa Clara.

Performance and Workload Measures

Convention Center Levy Premium Foodservice							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Customer Service Survey Results (overall satisfaction)		N/A	90%	90%	90%	90%	90%
Number of room nights generated ⁹		N/A	0	16,438	9,500	4,506	6,197
Net Profit		N/A	\$0.7 m	\$1.2 m	\$1.0 m	\$1.1 m	\$1.5 m
Community Impact							
Number of collaborative, community-based events hosted at Center		N/A	0	2	1	2	2
Number of meals donated to local non-profit partner (daily excess food)		N/A	1,262	500	900	600	700
Percent of Levy's management team that volunteer in the community		N/A	0%	85%	85%	85%	85%
Percent of waste diversion rate ¹⁰		N/A	1.95%	50%	5%	7%	6%
Workforce Development/Training ¹¹							
Teaching Kitchen – percent of graduates		N/A	N/A	70%	N/A	70%	70%
Percent of successful job placements		N/A	N/A	65%	N/A	65%	65%
Percent of purchases from Northern California grown and produced food, beverages, and supplies		N/A	42%	25%	35%	25%	25%
Level of participation in securing P1 and P2 events		N/A	100%	85%	100%	85%	85%
Number of Prospects ¹² (active)		N/A	303	550	400	550	550

⁹ The listed targets are only associated with the projected number of P1 and P2 events for FY 2025/26.







¹⁰ The way that this indicator is calculated has been changed. While the goal is for Levy to have a zero waste operation, they will report on the percent of waste production. The goal would be see this percentage decrease year after year until they reach zero percent waste production.

¹¹ Levy worked with non-profit partners who were experiencing difficulty in finding students for the program. Levy is currently researching alternative avenues to recruit students for the program.

¹² A prospect is a potential customer who has been contacted and qualified by the sales team as having desirable criteria for an event in Santa Clara such as: size of event fits in the venue, there is a history of hotel needs that can be provided by Santa Clara hotels, and they have expressed interest in holding an event in Santa Clara.



Performance and Workload Measures

Convention Center Levy Premium Foodservice							
Performance Measures							
	Strategic Pillar	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Estimate	2023/24 Target	2024/25 Target
Number of new businesses/events to Convention Center		N/A	32	12	25	15	20
Retail/Public Space Activation ¹³							
Net Profit		N/A	\$0.09 m	\$0.1 m	\$0.1 m	\$0.15 m	\$0.17 m
Number of transactions		N/A	8,900	48,390	50,000	41,016	45,117
Workload Measures							
Number of Santa Clara University interns		N/A	N/A	1	N/A	1	1
Workforce Development/Training ¹⁴							
Teaching Kitchen – number of participants enrolled		N/A	N/A	20	N/A	10	15
Number of internships and apprenticeships provided		N/A	N/A	1	N/A	1	1

¹³ This previously included the Lobby Marketplace, Connect Café and Stand B. Stand B was replaced with pop-up Mashgin self-check out markets which is reflected in the current data and future target numbers.

¹⁴ Levy worked with non-profit partners who were experiencing difficulty in finding students for the program. Levy is currently researching alternative avenues to recruit students for the program.



**SANTA CLARA CONVENTION CENTER
FISCAL YEAR 2024 - July 1, 2023 - June 30, 2024
BUDGET PROPOSAL INCOME STATEMENT**

	OVG BUDGET 2023/24	BUDGET 2022/23	BUDGET VARIANCE FAV / (UNFAV)
# OF EVENTS	220	211	9
ATTENDANCE	246,196	119,350	126,846
DAYS	543	443	100
DIRECT EVENT REVENUE			
RENTAL REVENUE	3,881,511	3,100,791	780,720
SERVICE REVENUE	1,296,380	1,231,236	65,144
TOTAL DIRECT EVENT REVENUE	5,177,891	4,332,027	845,864
ANCILLARY REVENUE			
FOOD AND BEVERAGE REVENUE	7,996,075	7,588,310	407,765
AUDIO-VISUAL REVENUE	1,454,823	1,254,800	200,023
ELECTRICAL REVENUE	871,211	355,548	515,663
TOTAL ANCILLARY REVENUE	10,322,109	9,198,658	1,123,451
TOTAL EVENT REVENUE	15,500,000	13,530,685	1,969,315
OTHER REVENUE	163,770	72,950	90,820
TOTAL GROSS REVENUE	15,663,770	13,603,635	2,060,135
EVENT EXPENSE			
SERVICE EXPENSE	829,228	812,964	(16,264)
FOOD & BEVERAGE EXPENSE	6,864,689	6,401,870	(462,819)
AUDIO-VISUAL EXPENSE	974,732	840,716	(134,016)
ELECTRICAL EXPENSE	609,847	262,911	(346,936)
TOTAL EVENT EXPENSE	9,278,496	8,318,461	(960,035)
TOTAL EVENT INCOME	6,221,504	5,212,224	1,009,280
TOTAL INCOME WITH OTHER REVENUE	6,385,274	5,285,174	1,100,100
INDIRECT EXPENSES			
EXECUTIVE	437,636	339,385	(98,251)
FINANCE	547,041	346,281	(200,760)
MARKETING & SALES	466,447	429,193	(37,254)
EVENTS	463,116	359,016	(104,100)
OPERATIONS	2,854,867	2,615,957	(238,910)
OVERHEAD	1,511,997	1,413,057	(98,940)
TOTAL INDIRECT EXPENSES	6,281,104	5,502,889	(778,215)
CAPITAL EXPENSE	0	0	0
NET INCOME / (SUBSIDY)	104,170	(217,715)	321,885



**SANTA CLARA CONVENTION CENTER
FISCAL YEAR 2024 - July 1, 2023 - June 30, 2024
BUDGET PROPOSAL - INCOME STATEMENT**

	TOTAL	July	August	September	October	November	December	January	February	March	April	May	June
# OF EVENTS	220	15	14	22	20	18	20	15	17	21	21	19	18
GENERAL ATTENDANCE	246,196	22,958	16,392	26,514	22,836	27,588	11,967	14,753	11,358	28,938	25,820	18,582	18,490
DAYS	543	36	44	56	51	52	28	40	46	48	52	53	37
TOTAL EVENT REVENUE													
Consumer Shows	465,346	45,182	33,642	0	133,382	83,008	0	0	30,058	38,962	59,105	42,007	0
Conventions	2,055,056	108,530	181,925	216,575	196,765	169,201	90,000	68,123	67,066	327,476	257,885	178,019	193,491
Banquets	256,846	0	39,934	51,983	43,455	32,662	11,912	0	9,311	13,633	19,523	17,543	16,890
Meetings/Conferences	527,582	13,096	48,011	71,938	80,373	42,880	8,172	42,678	30,606	53,163	45,476	61,519	29,670
Special Events	591,387	117,324	25,849	58,792	44,089	32,878	23,202	58,774	32,630	53,864	47,405	58,247	38,333
Sporting Events	466,001	11,928	19,954	44,762	0	50,218	30,210	82,006	101,462	13,241	28,046	64,044	20,130
Trade Shows	815,678	0	0	161,765	75,476	120,700	0	70,650	67,825	106,662	84,579	70,007	58,014
TOTAL DIRECT EVENT REVENUE	5,177,896	296,060	349,315	605,815	573,540	531,547	163,496	322,231	338,958	607,001	542,019	491,386	356,528
ANCILLARY REVENUE													
Service Revenue only	1,296,380	48,804	93,010	164,760	144,028	109,644	1,047	89,767	73,118	182,107	98,281	220,754	71,060
Food & Beverage Revenue	7,996,075	91,293	714,869	1,023,400	1,006,127	406,944	642,730	126,530	420,454	1,095,410	1,141,152	686,330	640,836
Audio-Visual Revenue	1,454,823	26,220	37,235	114,985	171,666	177,392	78,869	55,260	78,080	260,413	135,196	156,679	162,828
Electrical Revenue	871,211	28,286	0	3,693	58,739	218	52,800	26,076	4,750	134,132	243,876	191,055	127,586
TOTAL ANCILLARY REVENUE	10,322,109	145,799	752,104	1,142,078	1,236,532	584,554	774,399	207,866	503,284	1,489,955	1,520,224	1,034,064	931,250
TOTAL EVENT REVENUE	15,500,005	441,859	1,101,419	1,747,893	1,810,072	1,116,101	937,895	530,097	842,242	2,096,956	2,062,243	1,525,450	1,287,778
OTHER REVENUE													
Advertising & Sponsorship	28,756	1,563	1,563	1,563	1,563	1,563	1,563	1,563	3,563	3,563	3,563	3,563	3,563
Cancellation Fees	60,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Interest and Dividends	30,000	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
F&B Vending	600	50	50	50	50	50	50	50	50	50	50	50	50
Misc IT & Cell Tower Revenue	44,418	3,680	3,680	3,680	3,680	3,680	3,680	3,723	3,723	3,723	3,723	3,723	3,723
TOTAL OTHER REVENUE	163,774	12,793	12,793	12,793	12,793	12,793	12,793	12,836	14,836	14,836	14,836	14,836	14,836
TOTAL GROSS REVENUE	15,663,779	454,652	1,114,212	1,760,686	1,822,865	1,128,894	950,688	542,933	857,078	2,111,792	2,077,079	1,540,286	1,302,614



**SANTA CLARA CONVENTION CENTER
FISCAL YEAR 2024 - July 1, 2023 - June 30, 2024
BUDGET PROPOSAL - INCOME STATEMENT**

	TOTAL	July	August	September	October	November	December	January	February	March	April	May	June
EVENT EXPENSE													
Service Expense	829,230	31,374	64,706	102,408	84,439	75,480	0	60,276	52,809	113,975	54,873	151,527	37,363
Food & Beverage Expense	6,864,687	78,376	613,720	878,596	863,767	349,364	551,788	108,627	360,963	940,418	979,687	589,219	550,162
Audio-Visual Expense	974,731	17,567	24,947	77,040	115,016	118,853	52,842	37,024	52,314	174,477	90,581	104,975	109,095
Electrical Expense	609,846	19,800	0	2,585	41,117	153	36,960	18,253	3,325	93,892	170,713	133,738	89,310
TOTAL EVENT EXPENSE	9,278,494	147,117	703,373	1,060,629	1,104,339	543,850	641,590	224,180	469,411	1,322,762	1,295,854	979,459	785,930
NET EVENT INCOME	6,221,511	294,742	398,046	687,264	705,733	572,251	296,305	305,917	372,831	774,194	766,389	545,991	501,848
NET INCOME W/OTH REVENUE	6,385,285	307,535	410,839	700,057	718,526	585,044	309,098	318,753	387,667	789,030	781,225	560,827	516,684
INDIRECT EXPENSES													
PERSONNEL EXPENSE													
Salaries	2,531,790	194,753	194,753	194,753	194,753	214,700	272,183	194,753	194,753	194,753	194,753	214,700	272,183
Payroll Taxes	225,791	17,368	17,368	17,368	17,368	19,278	24,143	17,369	17,369	17,369	17,369	19,279	24,143
Employee Benefits	931,370	76,191	76,191	76,191	76,191	77,404	83,515	76,192	76,192	76,192	76,192	77,404	83,515
Part-time Wages	133,619	11,134	11,135	11,135	11,135	11,135	11,135	11,135	11,135	11,135	11,135	11,135	11,135
Contract Labor	35,000	2,916	2,916	2,916	2,916	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917
TOTAL PERSONNEL EXPENSE	3,857,570	302,362	302,363	302,363	302,363	325,434	393,893	302,366	302,366	302,366	302,366	325,435	393,893
OTHER OPERATING EXPENSE													
Advertising	7,500	625	625	625	625	625	625	625	625	625	625	625	625
Automobile Expense	1,500	125	125	125	125	125	125	125	125	125	125	125	125
Bad Debt	20,000	1,666	1,666	1,666	1,666	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667
Building Supplies	73,998	6,166	6,166	6,166	6,166	6,166	6,166	6,167	6,167	6,167	6,167	6,167	6,167
Computer Services	32,371	2,697	2,697	2,697	2,697	2,697	2,698	2,698	2,698	2,698	2,698	2,698	2,698
Consulting & Professional Fees	88,570	7,380	7,380	7,381	7,381	7,381	7,381	7,381	7,381	7,381	7,381	7,381	7,381
Contracted Services	62,820	5,235	5,235	5,235	5,235	5,235	5,235	5,235	5,235	5,235	5,235	5,235	5,235
Data Processing Fees	143,146	11,928	11,928	11,929	11,929	11,929	11,929	11,929	11,929	11,929	11,929	11,929	11,929
Dues & Subscriptions	3,899	324	325	325	325	325	325	325	325	325	325	325	325
Equipment & Supply Rental	19,200	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Equip Maintenance Agreement	180,674	15,057	15,057	15,056	15,056	15,056	15,056	15,056	15,056	15,056	15,056	15,056	15,056



**SANTA CLARA CONVENTION CENTER
FISCAL YEAR 2024 - July 1, 2023 - June 30, 2024
BUDGET PROPOSAL - INCOME STATEMENT**

	TOTAL	July	August	September	October	November	December	January	February	March	April	May	June
OTHER OPERATING EXPENSE													
Insurance	287,364	23,947	23,947	23,947	23,947	23,947	23,947	23,947	23,947	23,947	23,947	23,947	23,947
Licenses and Permits	4,459	371	371	371	371	371	372	372	372	372	372	372	372
Management Fee	352,653	29,387	29,387	29,387	29,388	29,388	29,388	29,388	29,388	29,388	29,388	29,388	29,388
Meetings/Conferences	14,585	1,216	1,216	1,216	1,216	1,216	1,215	1,215	1,215	1,215	1,215	1,215	1,215
Office Supplies	13,500	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125
Other - Lighting	15,750	1,312	1,312	1,312	1,312	1,312	1,312	1,313	1,313	1,313	1,313	1,313	1,313
Photography	3,750	312	312	312	312	312	312	313	313	313	313	313	313
Postage	3,500	291	291	291	291	292	292	292	292	292	292	292	292
Printing	2,500	209	209	209	209	208	208	208	208	208	208	208	208
Recruitment	500	41	41	41	41	42	42	42	42	42	42	42	42
Repairs/Maintenance	94,922	7,911	7,911	7,910	7,910	7,910	7,910	7,910	7,910	7,910	7,910	7,910	7,910
Telephone	7,368	614	614	614	614	614	614	614	614	614	614	614	614
Tools/Equipment	10,500	875	875	875	875	875	875	875	875	875	875	875	875
Training	13,285	973	973	973	974	974	1,774	974	974	974	974	974	1,774
Trash Hauling	89,618	7,469	7,469	7,468	7,468	7,468	7,468	7,468	7,468	7,468	7,468	7,468	7,468
Travel & Entertainment	26,310	1,985	1,985	1,984	1,984	1,984	1,984	1,984	1,984	4,484	1,984	1,984	1,984
Uniforms	17,500	1,459	1,459	1,459	1,459	1,458	1,458	1,458	1,458	1,458	1,458	1,458	1,458
Utilities	951,739	79,311	79,311	79,311	79,311	79,311	79,312	79,312	79,312	79,312	79,312	79,312	79,312
Allocation of Utilities	(119,941)	(9,996)	(9,995)	(9,995)	(9,995)	(9,995)	(9,995)	(9,995)	(9,995)	(9,995)	(9,995)	(9,995)	(9,995)
TOTAL OPERATING EXPENSES	2,423,542	201,616	201,618	201,615	201,617	201,618	202,420	201,623	201,623	204,123	201,623	201,623	202,423
TOTAL INDIRECT EXPENSES	6,281,128	503,981	503,983	503,980	503,982	527,052	596,312	503,988	503,988	506,488	503,988	527,057	596,315
CAPITAL EXPENSE	0	0	0	0	0	0	0	0	0	0	0	0	0
NET INCOME / (SUBSIDY)	104,174	(196,446)	(93,144)	196,077	214,544	57,992	(287,214)	(185,235)	(116,321)	282,542	277,237	33,770	(79,631)



**SANTA CLARA CONVENTION CENTER
FISCAL YEAR 2024 - July 1, 2023 - June 30, 2024
EVENTS BUDGET**

	CONVENTIONS	TRADE SHOWS	CONSUMER SHOWS	SPECIAL EVENTS	MEETINGS	BANQUETS	SPORTING EVENTS	TOTALS
NUMBER OF EVENTS	31	19	12	59	51	25	23	220
GENERAL ATTENDANCE	69,229	26,850	30,750	44,623	31,721	16,690	26,333	246,196
DAYS	156	56	39	100	83	34	75	543
DIRECT EVENT REVENUE								
RENTAL REVENUE	1,522,496	669,157	332,255	395,991	315,137	190,935	455,540	3,881,511
SERVICE REVENUE	532,559	146,521	133,091	195,394	212,443	65,911	10,461	1,296,380
DIRECT EVENT REVENUE	2,055,055	815,678	465,346	591,385	527,580	256,846	466,001	5,177,891
SERVICE REVENUE								
EQUIPMENT RENTAL	28,301	34,461	21,031	27,308	12,357	9,882	10,461	143,801
IN HOUSE ELECTRICAL BILLED	0	0	0	0	32,000	0	0	32,000
TELECOMMUNICATIONS BILLED	504,258	112,060	112,060	168,086	168,086	56,029	0	1,120,579
TOTAL SERVICE REVENUE	532,559	146,521	133,091	195,394	212,443	65,911	10,461	1,296,380
SERVICE REVENUE TO RENTAL REVENUE RATIO	35.0%	21.9%	40.1%	49.3%	67.4%	34.5%	2.3%	33.4%
LESS SERVICE EXPENSES:								
TELECOMMUNICATIONS EXPENSE	373,151	82,924	82,924	124,384	124,384	41,461	0	829,228
TOTAL SERVICE EXPENSES	373,151	82,924	82,924	124,384	124,384	41,461	0	829,228
NET SERVICE INCOME/(LOSS)	159,408	63,597	50,167	71,010	88,059	24,450	10,461	467,152
SERVICE REVENUE PROFIT MARGIN	29.9%	43.4%	37.7%	36.3%	41.5%	37.1%	100.0%	36.0%
FOOD & BEVERAGE								
CATERING	4,601,342	783,532	88,022	139,943	798,919	1,507,792	76,526	7,996,076
GROSS FOOD & BEVERAGE REVENUE	4,601,342	783,532	88,022	139,943	798,919	1,507,792	76,526	7,996,076
CATERING EXPENSE-Food	3,950,286	672,668	75,568	120,142	685,878	1,294,450	65,698	6,864,690
TOTAL FOOD & BEVERAGE EXPENSE	3,950,286	672,668	75,568	120,142	685,878	1,294,450	65,698	6,864,690
NET FOOD & BEVERAGE INCOME	651,056	110,864	12,454	19,801	113,041	213,342	10,828	1,131,386
FOOD & BEVERAGE EVENT PROFIT MARGIN	14.1%	14.1%	14.1%	14.1%	14.1%	14.1%	14.1%	14.1%



**SANTA CLARA CONVENTION CENTER
FISCAL YEAR 2024 - July 1, 2023 - June 30, 2024
EVENTS BUDGET**

	CONVENTIONS	TRADE SHOWS	CONSUMER SHOWS	SPECIAL EVENTS	MEETINGS	BANQUETS	SPORTING EVENTS	TOTALS
AUDIO VISUAL REVENUE								
AV SERVICE REVENUE	654,669	145,482	145,482	218,224	218,224	72,742	0	1,454,823
AV SERVICE EXPENSE	438,628	97,473	97,473	146,210	146,210	48,737	0	974,731
NET AUDIO VISUAL INCOME	216,041	48,009	48,009	72,014	72,014	24,005	0	480,092
AUDIO VISUAL PROFIT MARGIN	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%	0.0%	33.0%
ELECTRICAL SERVICES								
ELECTRICAL SERVICES REVENUE	709,353	109,860	16,489	27,666	7,443	400	0	871,211
ELECTRICAL SERVICES EXPENSE	496,547	76,902	11,543	19,366	5,210	280	0	609,847
NET ELECTRICAL SERVICES INCOME	212,806	32,958	4,947	8,300	2,233	120	0	261,363
ELECTRICAL SERVICES PROFIT MARGIN	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	0.0%	30.0%
TOTAL ANCILLARY INCOME	1,079,903	191,831	65,410	100,115	187,288	237,466	10,828	1,872,841
EVENT OPERATING INCOME	2,761,807	924,584	447,832	567,116	590,485	452,851	476,829	6,221,504
TOTAL GROSS REVENUE	8,020,419	1,854,551	715,340	977,218	1,552,166	1,837,780	542,527	15,500,000



**SANTA CLARA CONVENTION CENTER
FISCAL YEAR 2025 - July 1, 2024 - June 30, 2025
BUDGET PROPOSAL INCOME STATEMENT**

	OVG BUDGET 2024/25	BUDGET 2023/24	BUDGET VARIANCE FAV / (UNFAV)
# OF EVENTS	255	220	35
ATTENDANCE	260,846	246,196	14,650
DAYS	590	543	47
DIRECT EVENT REVENUE			
RENTAL REVENUE	4,376,218	3,881,511	494,707
SERVICE REVENUE	1,427,515	1,296,380	131,135
TOTAL DIRECT EVENT REVENUE	5,803,733	5,177,891	625,842
ANCILLARY REVENUE			
FOOD AND BEVERAGE REVENUE	9,285,712	7,996,075	1,289,637
AUDIO-VISUAL REVENUE	1,673,066	1,454,823	218,243
ELECTRICAL REVENUE	1,237,488	871,211	366,277
TOTAL ANCILLARY REVENUE	12,196,266	10,322,109	1,874,157
TOTAL EVENT REVENUE	17,999,999	15,500,000	2,499,999
OTHER REVENUE	193,014	163,770	29,244
TOTAL GROSS REVENUE	18,193,013	15,663,770	2,529,243
EVENT EXPENSE			
SERVICE EXPENSE	926,783	829,228	(97,555)
FOOD & BEVERAGE EXPENSE	7,796,861	6,864,689	(932,172)
AUDIO-VISUAL EXPENSE	1,118,450	974,732	(143,718)
ELECTRICAL EXPENSE	876,688	609,847	(266,841)
TOTAL EVENT EXPENSE	10,718,782	9,278,496	(1,440,286)
TOTAL EVENT INCOME	7,281,217	6,221,504	1,059,713
TOTAL INCOME WITH OTHER REVENUE	7,474,232	6,385,274	1,088,958
INDIRECT EXPENSES			
EXECUTIVE	457,746	437,636	(20,110)
FINANCE	562,508	547,041	(15,467)
MARKETING & SALES	572,630	466,447	(106,183)
EVENTS	560,396	463,116	(97,280)
OPERATIONS	3,290,406	2,854,867	(435,539)
OVERHEAD	1,604,743	1,511,997	(92,746)
TOTAL INDIRECT EXPENSES	7,048,429	6,281,104	(767,325)
CAPITAL EXPENSE	0	0	0
NET INCOME / (SUBSIDY)	425,803	104,170	321,633



**SANTA CLARA CONVENTION CENTER
FISCAL YEAR 2025 - July 1, 2024 - June 30, 2025
BUDGET PROPOSAL - INCOME STATEMENT**

	TOTAL	July	August	September	October	November	December	January	February	March	April	May	June
# OF EVENTS	255	16	16	26	25	20	20	19	20	25	24	25	19
GENERAL ATTENDANCE	260,846	22,288	12,575	26,013	33,109	24,876	11,874	17,378	11,232	28,176	29,425	26,003	17,897
DAYS	590	38	44	51	59	45	28	44	47	51	61	82	40
TOTAL EVENT REVENUE													
Consumer Shows	537,346	45,769	46,500	47,186	102,065	87,028	0	10,710	30,853	40,774	54,245	65,946	6,270
Conventions	2,118,112	136,436	79,802	152,283	282,542	111,300	90,000	73,196	58,986	352,499	316,788	251,865	212,415
Banquets	310,817	20,325	40,505	58,735	50,572	35,700	11,912	5,355	9,708	17,506	20,878	22,401	17,220
Meetings/Conferences	702,216	26,764	49,726	115,880	142,947	64,186	10,896	66,825	33,106	53,396	42,421	63,396	32,673
Special Events	654,093	114,962	30,383	85,322	44,217	42,100	19,887	74,765	41,419	50,113	48,518	63,085	39,323
Sporting Events	616,086	25,000	27,980	55,960	41,440	85,280	30,210	82,006	101,462	26,482	56,092	64,044	20,130
Trade Shows	865,064	5,575	38,359	130,914	93,761	106,400	0	71,777	68,620	108,474	85,329	97,181	58,674
TOTAL DIRECT EVENT REVENUE	5,803,734	374,831	313,255	646,280	757,544	531,994	162,905	384,634	344,154	649,244	624,271	627,918	386,705
ANCILLARY REVENUE													
Service Revenue only	1,427,515	65,977	121,287	203,952	103,604	121,658	1,088	121,414	77,416	194,250	89,586	240,433	86,850
Food & Beverage Revenue	9,285,712	114,770	809,457	1,146,474	1,006,127	599,544	752,194	122,631	728,740	1,088,410	1,139,927	912,742	864,696
Audio-Visual Revenue	1,673,066	35,500	47,576	142,984	162,012	204,000	113,373	74,761	81,692	278,668	144,261	180,180	208,059
Electrical Revenue	1,237,488	201,141	2,060	0	164,304	545	52,707	26,076	8,000	26,286	213,696	287,500	255,172
TOTAL ANCILLARY REVENUE	12,196,266	351,411	859,093	1,289,458	1,332,443	804,089	918,274	223,468	818,432	1,393,364	1,497,884	1,380,422	1,327,927
TOTAL EVENT REVENUE	18,000,000	726,242	1,172,348	1,935,738	2,089,987	1,336,083	1,081,179	608,102	1,162,586	2,042,608	2,122,155	2,008,340	1,714,632
OTHER REVENUE													
Advertising & Sponsorship	42,750	3,563	3,563	3,563	3,563	3,563	3,563	3,563	3,563	3,563	3,563	3,563	3,563
Cancellation Fees	65,000	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417
Interest and Dividends	35,000	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917
F&B Vending	720	60	60	60	60	60	60	60	60	60	60	60	60
Misc IT & Cell Tower Revenue	49,544	4,105	4,105	4,105	4,105	4,105	4,105	4,152	4,152	4,152	4,152	4,152	4,152
TOTAL OTHER REVENUE	193,014	16,062	16,062	16,062	16,062	16,062	16,062	16,109	16,109	16,109	16,109	16,109	16,109
TOTAL GROSS REVENUE	18,193,014	742,304	1,188,410	1,951,800	2,106,049	1,352,145	1,097,241	624,211	1,178,695	2,058,717	2,138,264	2,024,449	1,730,741



**SANTA CLARA CONVENTION CENTER
FISCAL YEAR 2025 - July 1, 2024 - June 30, 2025
BUDGET PROPOSAL - INCOME STATEMENT**

	TOTAL	July	August	September	October	November	December	January	February	March	April	May	June
EVENT EXPENSE													
Service Expense	926,783	41,253	80,354	127,173	62,638	84,360	0	79,255	55,889	127,384	52,726	169,353	46,398
Food & Beverage Expense	7,796,861	96,368	679,670	962,651	844,807	503,414	631,589	102,969	611,895	913,897	957,154	766,395	726,052
Audio-Visual Expense	1,118,450	23,785	31,876	95,799	108,548	136,680	75,960	47,585	54,734	186,708	96,655	120,721	139,400
Electrical Expense	876,688	143,328	1,442	0	115,013	409	36,923	18,253	6,000	19,714	155,110	201,875	178,621
TOTAL EVENT EXPENSE	10,718,782	304,734	793,342	1,185,623	1,131,006	724,863	744,472	248,062	728,518	1,247,703	1,261,645	1,258,344	1,090,471
NET EVENT INCOME	7,281,218	421,509	379,006	750,115	958,982	611,220	336,708	360,040	434,068	794,905	860,509	749,995	624,161
NET INCOME W/OTH REVENUE	7,474,232	437,570	395,067	766,176	975,043	627,281	352,769	376,148	450,176	811,013	876,617	766,103	640,269
INDIRECT EXPENSES													
PERSONNEL EXPENSE													
Salaries	3,096,922	238,225	238,225	238,225	238,225	259,169	336,393	238,225	238,225	238,225	238,225	259,169	336,393
Payroll Taxes	238,947	18,381	18,381	18,381	18,381	20,383	25,568	18,381	18,381	18,381	18,381	20,383	25,568
Employee Benefits	957,796	78,442	78,442	78,442	78,442	79,715	85,415	78,442	78,442	78,442	78,442	79,715	85,415
Part-time Wages	172,741	14,395	14,395	14,395	14,395	14,395	14,395	14,395	14,395	14,395	14,395	14,395	14,395
Contract Labor	35,000	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917
TOTAL PERSONNEL EXPENSE	4,501,406	352,360	352,360	352,360	352,360	376,579	464,688	352,360	352,360	352,360	352,360	376,579	464,688
OTHER OPERATING EXPENSE													
Advertising	7,500	625	625	625	625	625	625	625	625	625	625	625	625
Automobile Expense	1,545	129	129	129	129	129	129	129	129	129	129	129	129
Bad Debt	15,000	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250
Building Supplies	77,454	6,454	6,454	6,454	6,454	6,454	6,454	6,454	6,454	6,454	6,454	6,454	6,454
Computer Services	35,776	2,981	2,981	2,981	2,981	2,981	2,981	2,981	2,981	2,981	2,981	2,981	2,981
Consulting & Professional Fees	87,777	7,315	7,315	7,315	7,315	7,315	7,315	7,315	7,315	7,315	7,315	7,315	7,315
Contracted Services	57,820	4,818	4,818	4,818	4,818	4,818	4,818	4,818	4,818	4,818	4,818	4,818	4,818
Data Processing Fees	145,426	12,119	12,119	12,119	12,119	12,119	12,119	12,119	12,119	12,119	12,119	12,119	12,119
Dues & Subscriptions	5,169	431	431	431	431	431	431	431	431	431	431	431	431
Equipment & Supply Rental	19,776	1,648	1,648	1,648	1,648	1,648	1,648	1,648	1,648	1,648	1,648	1,648	1,648
Equip Maintenance Agreement	189,708	15,809	15,809	15,809	15,809	15,809	15,809	15,809	15,809	15,809	15,809	15,809	15,809



**SANTA CLARA CONVENTION CENTER
FISCAL YEAR 2025 - July 1, 2024 - June 30, 2025
BUDGET PROPOSAL - INCOME STATEMENT**

	TOTAL	July	August	September	October	November	December	January	February	March	April	May	June
OTHER OPERATING EXPENSE													
Insurance	329,737	27,478	27,478	27,478	27,478	27,478	27,478	27,478	27,478	27,478	27,478	27,478	27,478
Licenses and Permits	4,593	383	383	383	383	383	383	383	383	383	383	383	383
Management Fee	379,294	31,608	31,608	31,608	31,608	31,608	31,608	31,608	31,608	31,608	31,608	31,608	31,608
Meetings/Conferences	14,585	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215
Office Supplies	14,850	1,238	1,238	1,238	1,238	1,238	1,238	1,238	1,238	1,238	1,238	1,238	1,238
Other - Lighting	16,538	1,378	1,378	1,378	1,378	1,378	1,378	1,378	1,378	1,378	1,378	1,378	1,378
Photography	3,750	313	313	313	313	313	313	313	313	313	313	313	313
Postage	3,500	292	292	292	292	292	292	292	292	292	292	292	292
Printing	2,500	208	208	208	208	208	208	208	208	208	208	208	208
Recruitment	500	42	42	42	42	42	42	42	42	42	42	42	42
Repairs/Maintenance	103,082	8,590	8,590	8,590	8,590	8,590	8,590	8,590	8,590	8,590	8,590	8,590	8,590
Telephone	8,808	734	734	734	734	734	734	734	734	734	734	734	734
Tools/Equipment	11,550	963	963	963	963	963	963	963	963	963	963	963	963
Training	11,958	997	997	997	997	997	997	997	997	997	997	997	997
Trash Hauling	92,308	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692
Travel & Entertainment	28,083	2,090	2,090	2,090	2,090	2,090	2,090	2,090	2,090	5,090	2,090	2,090	2,090
Uniforms	18,400	1,533	1,533	1,533	1,533	1,533	1,533	1,533	1,533	1,533	1,533	1,533	1,533
Utilities	999,326	83,277	83,277	83,277	83,277	83,277	83,277	83,277	83,277	83,277	83,277	83,277	83,277
Allocation of Utilities	(139,286)	(11,607)	(11,607)	(11,607)	(11,607)	(11,607)	(11,607)	(11,607)	(11,607)	(11,607)	(11,607)	(11,607)	(11,607)
TOTAL OPERATING EXPENSES	2,547,024	212,002	212,002	212,002	212,002	212,002	212,002	212,002	212,002	215,002	212,002	212,002	212,002
TOTAL INDIRECT EXPENSES	7,048,430	564,361	564,361	564,361	564,361	588,581	676,690	564,361	564,361	567,361	564,361	588,581	676,690
CAPITAL EXPENSE	0	0	0	0	0	0	0	0	0	0	0	0	0
NET INCOME / (SUBSIDY)	425,803	(126,791)	(169,294)	201,815	410,682	38,700	(323,921)	(188,213)	(114,185)	243,652	312,256	177,522	(36,420)



**SANTA CLARA CONVENTION CENTER
FISCAL YEAR 2025 - July 1, 2024 - June 30, 2025
EVENTS BUDGET**

	CONVENTIONS	TRADE SHOWS	CONSUMER SHOWS	SPECIAL EVENTS	MEETINGS	BANQUETS	SPORTING EVENTS	TOTALS
NUMBER OF EVENTS	36	22	14	68	59	29	27	255
GENERAL ATTENDANCE	66,732	29,600	31,200	37,285	41,847	18,116	36,066	260,846
DAYS	162	60	46	97	95	38	92	590
DIRECT EVENT REVENUE								
RENTAL REVENUE	1,529,670	701,632	395,846	422,037	495,169	234,245	597,619	4,376,218
SERVICE REVENUE	588,442	163,432	141,500	232,055	207,047	76,572	18,467	1,427,515
DIRECT EVENT REVENUE	2,118,112	865,064	537,346	654,092	702,216	310,817	616,086	5,803,733
SERVICE REVENUE								
EQUIPMENT RENTAL	24,860	38,189	16,257	44,194	19,186	13,952	18,467	175,105
TELECOMMUNICATIONS BILLED	563,582	125,243	125,243	187,861	187,861	62,620	0	1,252,410
TOTAL SERVICE REVENUE	588,442	163,432	141,500	232,055	207,047	76,572	18,467	1,427,515
SERVICE REVENUE TO RENTAL REVENUE RATIO	38.5%	23.3%	35.7%	55.0%	41.8%	32.7%	3.1%	32.6%
LESS SERVICE EXPENSES:								
TELECOMMUNICATIONS EXPENSE	417,051	92,680	92,680	139,017	139,017	46,339	0	926,784
TOTAL SERVICE EXPENSES	417,051	92,680	92,680	139,017	139,017	46,339	0	926,784
NET SERVICE INCOME/(LOSS)	171,391	70,752	48,820	93,038	68,030	30,233	18,467	500,731
SERVICE REVENUE PROFIT MARGIN	29.1%	43.3%	34.5%	40.1%	32.9%	39.5%	100.0%	35.1%
FOOD & BEVERAGE								
CATERING	5,385,763	905,636	119,936	152,226	911,199	1,716,103	94,848	9,285,711
GROSS FOOD & BEVERAGE REVENUE	5,385,763	905,636	119,936	152,226	911,199	1,716,103	94,848	9,285,711
CATERING EXPENSE-Food	4,522,222	760,428	100,706	127,819	765,099	1,440,947	79,640	7,796,861
TOTAL FOOD & BEVERAGE EXPENSE	4,522,222	760,428	100,706	127,819	765,099	1,440,947	79,640	7,796,861
NET FOOD & BEVERAGE INCOME	863,541	145,208	19,230	24,407	146,100	275,156	15,208	1,488,850
FOOD & BEVERAGE EVENT PROFIT MARGIN	16.0%	16.0%	16.0%	16.0%	16.0%	16.0%	16.0%	16.0%



**SANTA CLARA CONVENTION CENTER
FISCAL YEAR 2025 - July 1, 2024 - June 30, 2025
EVENTS BUDGET**

	CONVENTIONS	TRADE SHOWS	CONSUMER SHOWS	SPECIAL EVENTS	MEETINGS	BANQUETS	SPORTING EVENTS	TOTALS
AUDIO VISUAL REVENUE								
AV SERVICE REVENUE	752,880	167,306	167,306	250,960	250,960	83,654	0	1,673,066
AV SERVICE EXPENSE	504,430	112,095	112,095	168,143	168,143	53,544	0	1,118,450
NET AUDIO VISUAL INCOME	248,450	55,211	55,211	82,817	82,817	30,110	0	554,616
AUDIO VISUAL PROFIT MARGIN	33.0%	33.0%	33.0%	33.0%	33.0%	36.0%	0.0%	33.1%
ELECTRICAL SERVICES								
ELECTRICAL SERVICES REVENUE	1,028,571	109,860	20,000	55,958	22,500	600	0	1,237,489
ELECTRICAL SERVICES EXPENSE	720,000	82,395	15,000	41,968	16,875	450	0	876,688
NET ELECTRICAL SERVICES INCOME	308,571	27,465	5,000	13,990	5,625	150	0	360,801
ELECTRICAL SERVICES PROFIT MARGIN	30.0%	25.0%	25.0%	25.0%	25.0%	25.0%	0.0%	29.2%
TOTAL ANCILLARY INCOME	1,420,564	227,884	79,441	121,214	234,542	305,417	15,208	2,404,270
EVENT OPERATING INCOME	3,121,625	1,000,267	524,107	636,290	797,741	569,895	631,294	7,281,219
TOTAL GROSS REVENUE	9,285,327	2,047,865	844,588	1,113,237	1,886,875	2,111,174	710,934	18,000,000

Sports and Open Space Authority

This page is intentionally left blank.

Sports and Open Space Authority

The Sports and Open Space Authority of the City of Santa Clara (Authority) was created by the City Council in 1974 to establish a separate entity to acquire and develop open space within the City of Santa Clara. The validity of the Authority and its legal existence was established in 1975 by final judgment of the Santa Clara County Superior Court. The Santa Clara Golf and Tennis Club (SCGTC) was developed by the Authority on City-owned land and operated under a management agreement with a private company and a private restaurant facility at the Golf and Tennis Club leased to a private operator. In 1997/98, the City Council set aside approximately 40 acres of the former golf course site to be preserved and maintained as open space, and, in calendar year 1999, the Authority approved the sale of 4.3 acres of the former golf course property to the City's Redevelopment Agency to be disposed of as a site for development of affordable housing.

The Authority terminated operations of SCGTC in late calendar year 2019 and the land will be redeveloped into a mixed-use commercial/residential project. There is minimal funding budgeted in Fiscal Year 2023/24 and Fiscal Year 2024/25 for the Open Space Authority.

Budget Summary

	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed	FY 2023/24 Change %	FY 2024/25 Proposed	FY 2024/25 Change %
Dollars by Division / Program						
Sports and Open Space Authority						
8011 Sports and Open Space Authority	9,163	5,420	10,000	84.5%	10,200	2.0%
Total Sports and Open Space Authority	9,163	5,420	10,000	84.5%	10,200	2.0%
Total by Division / Program	9,163	5,420	10,000	84.5%	10,200	2.0%
Dollars by Fund						
Sports and Open Space Authority Fund	9,163	5,420	10,000	84.5%	10,200	2.0%
Total by Fund	9,163	5,420	10,000	84.5%	10,200	2.0%
Dollars by Category						
Salary and Benefits						
Board Member Stipend	4,590	4,920	5,000	1.6%	5,100	2.0%
Total Salary and Benefits	4,590	4,920	5,000	1.6%	5,100	2.0%
Non-Personnel						
Materials/Services/Supplies	4,573	500	5,000	900.0%	5,100	2.0%
Total Non-Personnel	4,573	500	5,000	900.0%	5,100	2.0%
Total by Category	9,163	5,420	10,000	84.5%	10,200	2.0%

This page is intentionally left blank.

Outside Group Funding

The City considers funding non-profit community organizations to meet significant community needs or address concerns of Santa Clara residents. Funding in any case is made on an individual basis dependent upon City budget limitation, past performance and services provided.

Community Organization	Department	Description	FY 2023/24	FY 2024/25
Bill Wilson Center	Community Development	Provides family and individual counseling and youth crisis intervention at local schools and grief support services, including individual and group counseling	30,000	30,000
Catholic Charities Long Term Care Ombudsman	Community Development	Monitors quality of care to elderly and disabled residents of long-term care facilities	10,000	10,000
Firehouse Fun Run	Electric Utility	A Santa Clara community walk/run event established to support Santa Clara Unified School District and local Military Veterans	1,000	1,000
Health Trust – Meals on Wheels	Community Development	Provides seniors and adults with disabilities hot, nutritious meals five days a week	30,000	30,000
Heart of the Valley	Community Development	Provides transportation for seniors and disabled persons who are unable to travel by bus or other public transportation, collect demographic information on new paratransit clients and to coordinate and train volunteers for service delivery	30,000	15,000
HOPE Services – Educational Services	Community Development	Provides educational services to people with developmental disabilities	30,000	30,000
Live Oak Adult Day Services	Community Development	Provides adult day care for dependent and disabled seniors	15,000	15,000
Next Door Solutions	Community Development	Provides case management for residents at HomeSafe Santa Clara, a transitional housing program for victims of domestic violence	30,000	0
Parade of Champions (In-Kind Services)	Non-Departmental	Provides in-kind City resources for the parade to celebrate community champions including civic and community leaders	60,000	61,200
Project Sentinel – Rent Mediation	Community Development	Provides advice, referrals, counseling, and mediation services to tenants and landlords to resolve disputes regarding rental arrangements	67,803	67,803



Community Organization	Department	Description	FY 2023/24	FY 2024/25
Santa Clara Ballet	Non-Departmental	Provides cultural, music, dancing, entertainment and performances	10,000	10,000
Santa Clara Senior Nutrition	Parks and Recreation	Provides daily delivery of meals to severely disabled and homebound seniors	24,000	24,000
Santa Clara Sister Cities Association	Non-Departmental	Funding for the cultural exchange program for the City of Santa Clara's three sister cities, Coimbra, Portugal, Limerick, Ireland and Izumo, Japan	5,659	5,659
Santa Clara Swim Club	Parks and Recreation	Host swim meets which bring national and international visitors to our city	20,000	20,000
Santa Clara Unified School District STEAM Symposium	Electric Utility	Celebration by the Santa Clara Unified School District of Science, Technology, Engineering, Art and Math (STEAM) learning within and out of the classroom	5,000	5,000
Senior Adult Legal Assistance	Community Development	Provides free legal services for seniors that include advice and referrals, document writing and legal representation	30,000	30,000
Women's League – Showtime	Non-Departmental	Raises funds in support of the Senior Center Health and Wellness Program	20,000	20,000
State of the Valley Conference	Electric Utility	Silicon Valley's annual "town meeting" convenes stakeholders from the entire region to discuss the Valley's challenges and opportunities. The Silicon Valley Index is shared and discussed	30,000	30,000
Triton Museum	Non-Departmental	Provides artistic exhibitions and educational programs	295,927	296,054
United Way Silicon Valley – 2-1-1 Phone System	Community Development	Non-emergency information and referral for health and human services	5,000	5,000
Total Outside Group Funding			749,389	705,716



FY 2023/24 Capital Improvement Program Budget Amendments

Cemetery Capital Fund (593)

Project	Source of Funds	Use of Funds	Explanation
Transfer from the General Fund / PW Capital Projects Management - Cemetery	(9,597)	(9,597)	Eliminates funding for the Public Works Capital Management allocation based on the recalculated project distribution. The Transfer from the General Fund that supports this cost is also eliminated.
Total Cemetery Capital Fund	(9,597)	(9,597)	

City Affordable Housing Capital Fund (565)

Project	Source of Funds	Use of Funds	Explanation
Unrestricted Beginning Fund Balance / Unrestricted Ending Fund Balance	5,760,576	5,760,576	Increases the Unrestricted Beginning Fund Balance and Unrestricted Ending Fund Balance to account for changes from the FY 2023/24 Adopted CIP budget.
Total City Affordable Housing Capital Fund	5,760,576	5,760,576	

Convention Center Capital Fund (865)

Project	Source of Funds	Use of Funds	Explanation
Unrestricted Beginning Fund Balance / Unrestricted Ending Fund Balance	(69,029)	(69,029)	Decreases the Unrestricted Beginning Fund Balance and Unrestricted Ending Fund Balance to account for changes from the FY 2023/24 Adopted CIP budget.
Total Convention Center Capital Fund	(69,029)	(69,029)	

Electric Utility Capital Fund (591)

Project	Source of Funds	Use of Funds	Explanation
Beginning Fund Balance - Unrestricted	10,622,092		Increases the Unrestricted Beginning Fund Balance to reflect the estimated FY 2022/23 Unrestricted Ending Fund Balance.



Electric Utility Capital Fund (591) (Cont'd.)

Project	Source of Funds	Use of Funds	Explanation
Other Revenue (Developer Contributions)	4,992,000		A net increase to Developer Contributions, including: decrease of \$225,000 for the Fiber Development, Design, and Expansion project, increase of \$3.35 million for the New Business Estimate Work project, increase of \$1.1 million for the Transmission and Distribution Capital Maintenance and Betterments project, increase of \$2.8 million for the Memorex Junction Substation project, and a decrease of \$2.0 million for the Transmission Loop 2 project.
Other Revenue (Load Development Fees)	16,865,000		A net increase to the Load Development Fee revenue to support capital projects based on revised capital project needs and funding shifts.
Transfer from the Electric Debt Service Fund	184,300,000		Establishes the transfer from the Electric Debt Service Fund to fund the SRS Rebuild and Replacement, KRS Rebuild and Replacement, NRS-KRS 115kV Line, and the NRS Transformer and Breaker Upgrades projects.
Transfer from the Electric Utility Fund	(27,924,239)		Reduces the transfer from the Electric Utility Fund to support capital projects based on revised capital project needs and funding shifts. This change has been incorporated in the base budget for the Electric Utility Fund.
Substation Physical Security Improvements		(33,223)	Eliminates the project budget for FY 2023/24 to remove associated salary project costs to align with update project timeline. This action is offset by a reduction to the transfer in from the electric utility fund - customer service charges.
Transmission and Distribution Capital Maintenance and Betterments		1,100,000	Increases the project budget to reflect requested work from a developer to perform infrastructure improvements near Fairview Substation. This project is developer funded and an offsetting action is included to increase developer contributions revenue.
Substation Capital Maintenance & Betterments		1,034,000	Increases the project budget to reflect substation capital improvements including a transformer rebuild, transformer control upgrades, switchgear monitoring, and dissolved gas analysis equipment. This increase is funded by a transfer in from the Electric Utility Fund, customer service charges.



Electric Utility Capital Fund (591) (Cont'd.)

Project	Source of Funds	Use of Funds	Explanation
NRS 230kv Spare Transformer		(15,000,000)	Eliminates the project budget to close out the project and consolidate it into the NRS Transformer and Breaker Upgrade Project, formerly the NRS Transformer Replacement project. The project scope will be incorporated into the NRS Transformer and Breaker Upgrades project.
Replace Balance of Plant Control System (DCS)		(2,025,000)	Decreases the project budget to align with updated project timeline. Funding will be reappropriated in future budget actions as needed.
Northwest Loop Capacity Upgrade		2,600,000	Increases the project budget to reflect an updated schedule and coordination of the design for several transmission projects. An increase to the Load Development Fee revenue is recommended to offset this increase.
NRS Breaker 392 Addition		(176,000)	Eliminates the project budget to close out the project and consolidate it into the NRS Transformer and Breaker Upgrade Project, formerly the NRS Transformer Replacement project. The project scope will be incorporated into the NRS Transformer and Breaker Upgrades project.
Memorex Junction Substation		2,767,000	Increases the project budget to align with the updated project schedule and substation agreement. This project is developer funded and an offsetting action is included to increase developer contributions revenue.
60KV Breaker Upgrades		(9,608,000)	Eliminates the project budget for FY 2023/24 to align with the most recent System Expansion Plan Study accepted by Council. Additional details can be found in the system expansion plan report for the California Independent System Operators Transmission Planning Process 2023/24 accepted by the City Council on November 15, 2022 in RTC 22-1172.
SRS Rebuild and Replacement		29,000,000	Increases the project budget to reflect updated costs primarily due to higher material costs. Funding for the increase will be provided by a transfer from the Electric Utility Debt Service Fund.



Electric Utility Capital Fund (591) (Cont'd.)

Project	Source of Funds	Use of Funds	Explanation
KRS Rebuild and Replacement		30,700,000	Increases the project budget to reflect updated costs primarily due to higher material costs. Funding for the increase will be provided by a transfer from the Electric Utility Debt Service Fund.
NRS Transformer and Breaker Upgrades - Formerly the NRS Transformer Replacement project		76,283,394	Increases the project budget to include the addition of two new transformers, 115kV and 60kV bus work, and breaker configuration upgrades at the Northern Receiving Station (NRS). Additional details can be found in the system expansion plan report for the California Independent System Operators Transmission Planning Process 2023/24 accepted by the City Council on November 15, 2022 in RTC 22-1172. This increase also consolidates the scope and budget of the NRS 230kv Spare Transformer and NRS Breaker 392 Addition projects. Funding for the increase will be provided by a transfer from the Electric Utility Debt Service Fund. This action also renames the project from "NRS Transformer Replacement" to "NRS Transformer and Breaker Upgrades".
NRS-KRS 115kV Line		29,258,000	Increases the project budget to reflect an updated schedule to align with design work and easement acquisitions. Funding for the increase will be provided by a transfer from the Electric Utility Debt Service Fund.
Transmission Loop 1 Formerly the Reconfigure Northwest & Center Loops project		3,500,000	Increases the project budget to reflect an updated schedule to align with design work. An increase to the Load Development Fee budget is recommended to offset this increase. This action also renames the project from "Reconfigure Northwest & Center Loops" to "Transmission Loop 1" as was stated in RTC 22-1172 approved by Council November 15, 2022.
Battery Energy Storage System		(58,246)	Decreases the project budget to remove associated salary project costs. This action is offset by a reduction to the transfer in from the electric utility fund - customer service charges.
Duane-Scott 115kV Reconductor		1,620,000	Establishes a new project to upgrade a 115kV transmission line as brought forward in the recent system expansion plan report for the California Independent System Operators Transmission Planning Process 2023/24 accepted by the City Council on November 15, 2022 in RTC 22-1172. An increase to the Load Development Fee budget is recommended to offset this increase.



Electric Utility Capital Fund (591) (Cont'd.)

Project	Source of Funds	Use of Funds	Explanation
South Loop Reconductor		18,610,000	Establishes a new project to upgrade a transmission line to serve additional customer loads as brought forward in the recent system expansion plan report for the California Independent System Operators Transmission Planning Process 2023/24 accepted by City Council on November 15, 2022 in RTC 22-1172. An increase to the Load Development Fee budget is recommended to offset this increase.
Unrestricted Ending Fund Balance		19,282,928	Increases the Unrestricted Ending Fund Balance to offset the actions above.
Total Electric Utility Capital Fund	188,854,853	188,854,853	

Fire Department Capital Fund (536)

Project	Source of Funds	Use of Funds	Explanation
Transfer from the General Fund / PW Capital Projects Management - Fire	(1,683)	(1,683)	Eliminates funding for the Public Works Capital Management allocation based on the recalculated project distribution. The Transfer from the General Fund that supports this cost is also eliminated.
Total Fire Department Capital Fund	(1,683)	(1,683)	

Library Department Capital Fund (537)

Project	Source of Funds	Use of Funds	Explanation
Transfer from the General Fund / PW Capital Projects Management - Library	(9,187)	(9,187)	Eliminates funding for the Public Works Capital Management allocation based on the recalculated project distribution. The Transfer from the General Fund that supports this cost is also eliminated.
Total Library Department Capital Fund	(9,187)	(9,187)	

Parks and Recreation Capital Fund (532)

Project	Source of Funds	Use of Funds	Explanation
Unrestricted Beginning Fund Balance	17,060,294		Increases the Unrestricted Beginning Fund Balance to account for changes from the FY 2023/24 Adopted CIP budget.



Parks and Recreation Capital Fund (532) (Cont'd.)

Project	Source of Funds	Use of Funds	Explanation
Transfer from the General Fund	258,941		Increases the Transfer from the General Fund to partially support the Public Works Capital Project Management allocation.
PW Capital Projects Management - Parks & Recreation		1,020,457	Updates the Public Works Capital Management allocation based on the recalculated project distribution.
Unrestricted Ending Fund Balance		16,298,778	Increases the Unrestricted Ending Fund Balance to offset the action above.
Total Parks and Recreation Capital Fund	17,319,235	17,319,235	

Patrick Henry Drive Infrastructure Improvement Fund (542)

Project	Source of Funds	Use of Funds	Explanation
Patrick Henry Infrastructure Impact Fee / Transfer to the General Fund - Capital Projects Reserve	69,205	69,205	Increases the Revenue estimate and establishes a transfer to the General Fund Capital Projects Reserve (CRR). In FY 2022/23, the CPR will advance funding to this fund for administration costs. This action repays the CPR for these costs in FY 2023/24.
Total Patrick Henry Drive Infrastructure Improvement Fund	69,205	69,205	

Public Buildings Capital Fund (538)

Project	Source of Funds	Use of Funds	Explanation
Transfer from the General Fund / PW Capital Projects Management - Public Buildings	148,699	148,699	Updates the Public Works Capital Management allocation based on the recalculated project distribution. The Transfer from the General Fund that supports this cost is also increased.
Transfer from the General Fund - Capital Projects Reserve / Stationary Standby Generators	(80,000)	(80,000)	Decreases the Stationary Standby Generators budget and the associated transfer from the General Fund Capital Projects Reserve as \$80,000 of funding was advanced from FY 2023/24 to FY 2022/23 as described in RTC 23-1463 approved by the City Council on February 21, 2023.
Total Public Buildings Capital Fund	68,699	68,699	



Recycled Water Capital Fund (597)

Project	Source of Funds	Use of Funds	Explanation
Unrestricted Beginning Fund Balance / Unrestricted Ending Fund Balance	(1,253,540)	(1,253,540)	Decreases the Unrestricted Beginning Fund Balance and Unrestricted Ending Fund Balance to account for changes from the FY 2023/24 Adopted CIP budget.
Total Recycled Water Capital Fund	(1,253,540)	(1,253,540)	

Related Santa Clara Developer Fund (540)

Project	Source of Funds	Use of Funds	Explanation
Developer Contributions	(2,073,178)		Decreases the developer contribution estimate from \$3,041,508 to \$968,330 to reflect changes to the project appropriations that will be reimbursed.
Related General Admin Project		(51,853)	Decreases the Related General Admin Project from \$370,183 to \$318,330 to reflect updated FY 2023/24 salary costs.
Related Permit Work Project		(2,021,325)	As part of the Developer Agreement with Related, 8.0 City positions were created to work on the Related Santa Clara project; however, these positions are now unfunded. Of these 8.0 unfunded positions, 7.0 are recommended to be frozen and 1.0 is recommended to be shifted to the Building Development Services Fund.
Unrestricted Beginning Fund Balance / Unrestricted Ending Fund Balance	(3,000)	(3,000)	Decreases the Unrestricted Beginning Fund Balance and Unrestricted Ending Fund Balance to account for changes from the FY 2023/24 Adopted CIP budget.
Total Related Santa Clara Developer Fund	(2,076,178)	(2,076,178)	

Sewer Utility Capital Fund (594)

Project	Source of Funds	Use of Funds	Explanation
Beginning Fund Balance - Unrestricted	(9,344,249)		Decreases the Unrestricted Beginning Fund Balance from \$9,404,214 to \$59,965 to reflect the breakout of the restricted sewer conveyance fee portion of the fund balance that was previously accounted for in the unrestricted balance.
Beginning Fund Balance - Restricted Sewer Conveyance Fee	22,128,559		Increases the Restricted Beginning Fund Balance - Sewer Conveyance Fee from \$0 to \$22,128,559 to reflect the breakout of the restricted sewer conveyance fee portion of the fund balance that was previously accounted for in the unrestricted balance.



Sewer Utility Capital Fund (594) (Cont'd.)

Project	Source of Funds	Use of Funds	Explanation
Transfer from the Sewer Utility Fund	(7,651,713)		Decreases the transfer from the Sewer Utility Fund from \$11,518,935 to \$3,867,222. This reflects a change in the funding source for the S.J. - S.C. Regional Wastewater Facility project from the Sewer Utility Fund to the Sewer Utility Debt Service Fund. This decrease also accounts for an advancement of funding for the Sanitary Sewer Capacity Improvements project from FY 2023/24 to FY 2022/23.
Transfer from the Sewer Utility Debt Service Fund	10,000,000		Establishes a transfer from the Sewer Utility Debt Service Fund for the S.J. - S.C. Regional Wastewater Facility project. The Water and Sewer Utilities Department intends to issue debt in FY 2023/24 in the amount of \$30.0 million to refinance the Series 2020 (Regional Wastewater Facility) Installment Sale Agreement of \$20.0 million principal outstanding and borrow an additional \$10.0 million of new debt for the Regional Wastewater Facility project.
S.J. - S.C. Regional Wastewater Facility		(2,551,713)	Decreases the S.J. - S.C. Regional Wastewater Facility project appropriation from \$14,968,166 to \$12,416,453. This reduction reflects the latest estimate from the City of San Jose, the co-owner of the Regional Wastewater Facility. A corresponding decrease to the transfer from the Sewer Utility Fund is also recommended to offset this reduction in the project appropriation.
Sanitary Sewer System Improvements		(2,000,000)	Eliminates the Sanitary Sewer System Improvements project appropriation in FY 2023/24 to reflect an advancement of this funding to FY 2022/23.
Sanitary Sewer Capacity Improvements		5,426	Updates the Public Works Capital Management allocation based on the recalculated project distribution.
Sanitary Sewer Hydraulic Modeling As Needed Support		3,120	Updates the Public Works Capital Management allocation based on the recalculated project distribution.
PW Capital Projects Management - Sewer		(347,704)	Updates the Public Works Capital Management allocation based on the recalculated project distribution.
Ending Fund Balance - Restricted Sewer Conveyance Fee		21,913,644	Increases the Restricted Beginning Fund Balance - Sewer Conveyance Fee from \$0 to \$22,913,644 to reflect the breakout of the restricted sewer conveyance fee portion of the fund balance that was previously accounted for in the unrestricted balance.



Sewer Utility Capital Fund (594) (Cont'd.)

Project	Source of Funds	Use of Funds	Explanation
Ending Fund Balance - Unrestricted		(1,890,176)	Decreases the Unrestricted Ending Fund Balance from \$2,310,477 to \$420,301 to reflect anticipated activity in FY 2023/24.
Total Sewer Utility Capital Fund	15,132,597	15,132,597	

Solid Waste Capital Fund (596)

Project	Source of Funds	Use of Funds	Explanation
Beginning Fund Balance - Landfill Corrective Action Costs	22,899		Increases the Ending Fund Balance - Landfill Corrective Action Costs Reserve to account for changes from the FY 2023/24 Adopted CIP budget.
Unrestricted Beginning Fund Balance	(260,134)		Decreases the Unrestricted Beginning Fund Balance to account for changes from the FY 2023/24 Adopted CIP budget.
Ending Fund Balance - Landfill Corrective Action Costs		29,619	Increases the Ending Fund Balance - Landfill Corrective Action Costs Reserve to align with updated estimates.
Unrestricted Ending Fund Balance		(266,854)	Decreases the Unrestricted Ending Fund Balance to offset the action above.
Total Solid Waste Capital Fund	(237,235)	(237,235)	

Storm Drain Capital Fund (535)

Project	Source of Funds	Use of Funds	Explanation
Transfer from the General Fund / PW Capital Projects Management - Storm Drain	(117,185)	(117,185)	Updates the Public Works Capital Management allocation based on the recalculated project distribution. The Transfer from the General Fund that supports this cost is also decreased.
Unrestricted Beginning Fund Balance / Unrestricted Ending Fund Balance	40,244	40,244	Increases the Unrestricted Beginning Fund Balance and Unrestricted Ending Fund Balance to account for changes from the FY 2023/24 Adopted CIP budget.
Total Storm Drain Capital Fund	(76,941)	(76,941)	



Street Lighting Capital Fund (534)

Project	Source of Funds	Use of Funds	Explanation
Transfer from the Electric Utility Fund	(2,050,000)		Decreases the transfer of customer service funds from the Electric Utility Fund for the Street Lights Replacements - Great America Parkway project.
Great America Street Light Replacement		(2,050,000)	Decreases the project budget to align with updated project timeline. Funding will be reappropriated in future budget actions as needed.
Unrestricted Beginning Fund Balance / Unrestricted Ending Fund Balance	48,629	48,629	Increases the Unrestricted Beginning Fund Balance and Unrestricted Ending Fund Balance to account for changes from the FY 2023/24 Adopted CIP budget.
Total Street Lighting Capital Fund	(2,001,371)	(2,001,371)	

Streets and Highways Capital Fund (533)

Project	Source of Funds	Use of Funds	Explanation
Transfer from the General Fund - Capital Projects Reserve / Street Tree Services	463,050	463,050	This proposal provides one-time funding for the third and final year of the implementation of the Modesto Ash tree removals plan. In FY 2021/22, funding was placed in this CIP to supplement the operating budget for maintaining City Street Trees. Funding will be used for programmed pruning, tree removals, tree planting and responding to emergency tree work. Of the requested amount, \$322,000 will be allocated for the multi-year tree mitigation plan that was approved by Council on February 23, 2021 which brought forth amendments for the City's tree service agreements to increase funding to move forward with the initial phases of the Modesto Ash risk mitigation measures. Additional funding was approved as a Budget Amendment in the form of a new Capital Improvement Project through the FY 2021/22 & 2022/23 Operating Budget process to continue implementing the risk mitigation measures identified in the Plan-It assessment. The remaining \$141,000 will be allocated for emergency tree work, which is utilized throughout the year for storm response and after hour tree calls, as well as for planting new replacement trees. In 2022 the City adopted the City of Santa Clara Municipal Code, Chapter 12.35 Trees and Shrubs stating "if a vacant site where a street tree was removed is suitable to support a new street tree, the site shall be replanted with a suitable tree species from the City tree list." To maintain the 1 to 1 removal planting ratio sufficient funding is required for planting.



Streets and Highways Capital Fund (533) (Cont'd.)

Project	Source of Funds	Use of Funds	Explanation
Other Agencies Revenue / Tasman Complete Streets Plan 2021 Improvements Phase 1 – North San Jose Settlement Project	1,500,000	1,500,000	Increases the estimate for Other Agencies Revenue and the Tasman Complete Streets Plan 2021 Improvements Phase 1 – North San Jose Settlement project in the amount of \$1.5 million to recognize payment from the City of San Jose for the Tasman Complete Streets Plan 2021 Improvements Phase 1 project as part of the North San Jose Settlement, approved by the City on June 28, 2022. This is the second installment of the total payment of \$9,330,000 from the City of San Jose according to the schedule outlined by the settlement. Previously, \$1.5 million has been collected. These funds are to be used for complete street improvements on Tasman Drive.
Transfer from the General Fund / PW Capital Projects Management - Streets and Highways	(223,770)	(223,770)	Updates the Public Works Capital Management allocation based on the recalculated project distribution. The Transfer from the General Fund that supports this cost is also decreased.
Unrestricted Beginning Fund Balance / Unrestricted Ending Fund Balance	370,072	370,072	Increases the Unrestricted Beginning Fund Balance and Unrestricted Ending Fund Balance to account for changes from the FY 2023/24 Adopted CIP budget.
Total Streets and Highways Capital Fund	2,109,352	2,109,352	

Tasman East Infrastructure Improvement Fund (541)

Project	Source of Funds	Use of Funds	Explanation
Unrestricted Beginning Fund Balance / Unrestricted Ending Fund Balance	3,592,564	3,592,564	Increases the Unrestricted Beginning Fund Balance and Unrestricted Ending Fund Balance to account for changes from the FY 2023/24 Adopted CIP budget.
Total Tasman East Infrastructure Improvement Fund	3,592,564	3,592,564	

Water Utility Capital Fund (592)

Project	Source of Funds	Use of Funds	Explanation
Unrestricted Beginning Fund Balance / Unrestricted Ending Fund Balance	5,136,007	5,136,007	Increases the Unrestricted Beginning Fund Balance and Unrestricted Ending Fund Balance to account for changes from the FY 2023/24 Adopted CIP budget.
Total Water Utility Capital Fund	5,136,007	5,136,007	

This page is intentionally left blank.

California Society of Municipal Finance Officers

Certificate of Award

Capital Budget Excellence Award Fiscal Years 2022-2023 & 2023-2024

Presented to the

City of Santa Clara

For meeting the criteria established to achieve the CSMFO Excellence Award in Budgeting.

February 10, 2023



***Scott Catlett
2022 CSMFO President***

***James Russell-Field, Chair
Recognition Committee***

Dedicated Excellence in Municipal Financial Reporting

This page is intentionally left blank.

City of Santa Clara

Recommended Revisions to the FY 2023/24 Operating and Capital Improvement Program Budget

Department	FY 2023/24 Source of Funds	FY 2023/24 Use of Funds	FY 2024/25 Source of Funds	FY 2024/25 Use of Funds	Explanation
General Fund (001)					
Beginning Fund Balance	1,022,000				Increases the beginning fund balance to use expenditure savings from FY 2022/23 to fund the budget actions below.
City Manager's Office - Management Review		100,000			Increases the FY 2023/24 City Manager's Office budget to add consultant funding to evaluate the organizational structure.
City Manager's Office - Small Business Assistance Carryover		330,000			On September 7, 2021, the City Council approved Report to Council 21-1134, which recognized funds from a settlement agreement with the Silicon Valley Chamber of Commerce and appropriated the funding for small business assistance. This action increases the FY 2023/24 City Manager's Office budget to reflect the carryover of the unspent funds. A separate action to use these funds to provide a one-time subsidy for small businesses with fewer than 49 employees is recommended separately as part of the June 27, 2023 City Council Agenda.
Library Department - Contractual Services Carryover		300,000			Increases the FY 2023/24 Library Department budget to reflect the carryover of unspent FY 2022/23 contractual services funds of \$250,000 for the Library Facilities Master Plan and \$50,000 of remaining funds for the Library Strategic Plan.
Human Resources Department - Recruitment/Hiring Program		50,000			Increases the FY 2023/24 Human Resources Department Budget to support recruitment/hiring efforts. This will fund various recruiting strategies to fill vacant positions by highlighting opportunities in the City of Santa Clara.

City of Santa Clara

Recommended Revisions to the FY 2023/24 Operating and Capital Improvement Program Budget

Department	FY 2023/24 Source of Funds	FY 2023/24 Use of Funds	FY 2024/25 Source of Funds	FY 2024/25 Use of Funds	Explanation
General Fund (001) (Cont'd.)					
Human Resources Department - City- Wide Training		30,000			Increases the FY 2023/24 Human Resources Department Budget to support city-wide training, such as customer service trainings, professional development trainings, and supervisor/leadership trainings.
Human Resources Department - Employee Recognition		12,000			Increases the FY 2023/24 Human Resources Department Budget to support employee recognition efforts.
Public Works Department - Development Fee Program Fund Consultant		100,000			Increases the FY 2023/24 Public Works Department Budget for consultant services to provide support in analyzing and creating a new Public Works Development Fee Program Fund.
Public Works Department - Storm Drain Environmental Compliance Fee Study		100,000			Increases the FY 2023/24 Public Works Department budget for consultant services to conduct a storm drain environmental compliance fee study.
	1,022,000	1,022,000	-	-	

City of Santa Clara

Recommended Revisions to the FY 2023/24 Operating and Capital Improvement Program Budget

Department	FY 2023/24 Source of Funds	FY 2023/24 Use of Funds	FY 2024/25 Source of Funds	FY 2024/25 Use of Funds	Explanation
City Affordable Housing Fund (165)					
Transfer from City Affordable Housing Capital Fund	1,600,000				This action recognizes a transfer from the City Affordable Housing Capital Fund to provide funding for the Homekey - Benton/Lawrence Operations. This funding is from the Santana West Settlement Agreement.
Transfer from Housing Authority Fund	3,524,369				This action recognizes a transfer from the Housing Authority Fund to provide funding for the Homekey - Benton/Lawrence Operations.
Homekey - Benton/Lawrence Operations		5,124,369			On May 2, 2023, the City Council directed staff to set aside funding of up to \$5.5 million to help fund operations of the Homekey Interim Housing Development. This action establishes the appropriation for the Homekey - Benton/Lawrence Operations funding. The remaining funding is anticipated to come from the City's annual entitlement of California Permanent Local Housing Allocation (PHLA) program funds, which is administered by the County.
	5,124,369	5,124,369	-	-	
City Affordable Housing Capital Fund (565)					
Transfer to City Affordable Housing Fund		1,600,000			This action establishes a transfer to the City Affordable Housing Fund to provide funding for the Homekey - Benton/Lawrence Operations. This funding is from the Santana West Settlement Agreement.

City of Santa Clara

Recommended Revisions to the FY 2023/24 Operating and Capital Improvement Program Budget

Department	FY 2023/24 Source of Funds	FY 2023/24 Use of Funds	FY 2024/25 Source of Funds	FY 2024/25 Use of Funds	Explanation
City Affordable Housing Capital Fund (565) (Cont'd.)					
1601 Civic Center Drive - Low Income Housing Project	-				This is a technical correction to the funding source of the 1601 Civic Center Drive - Low Income Housing Project. As approved by the City Council on September 1, 2020, \$1.6 million of the Santana West Settlement Agreement was to be allocated to the 1601 Civic Center Drive - Low Income Housing project. On May 2, 2023, the City Council directed staff to set aside funding of up to \$5.5 million to help fund operations of the Homekey Interim Housing Development. Staff recommends that the 1601 Civic Center project be funded from housing impact fees collected and the \$1.6 million settlement funding be reallocated to the Homekey development.
Unrestricted Ending Fund Balance - Housing Impact Fees		(1,600,000)			This action decreases the unrestricted ending fund balance to offset the action recommended above.
	-	-	-	-	
Developer Traffic Payments Fund (124)					
Other Revenue / Transfer to the Streets and Highways Capital Fund - Carryover Adjustments	1,108,500	1,108,500			This action carries over the Other Revenue estimate and Transfer to the Streets and Highways Fund of \$1,108,500 from FY 2022/23 for the regional traffic mitigation fees anticipated from Related Santa Clara for the Multimodal Improvement Plan Phase 1 and Multimodal Improvement Plan Phase 2 projects in the Streets and Highways Capital Fund as revenue has not yet been received for the projects.
	1,108,500	1,108,500	-	-	

City of Santa Clara

Recommended Revisions to the FY 2023/24 Operating and Capital Improvement Program Budget

Department	FY 2023/24 Source of Funds	FY 2023/24 Use of Funds	FY 2024/25 Source of Funds	FY 2024/25 Use of Funds	Explanation
Housing and Urban Development Fund (562)					
NCIP - CDBG		(312,552)			On May 9, 2023, the City Council approved the FY 2023/24 Annual Action Plan and directed staff to incorporate all public comment into the final version prior to submission to Housing and Urban Development (HUD). This action incorporates all changes and aligns to the final version submitted to HUD.
Rehab - Affordable Rental Housing		378,222			On May 9, 2023, the City Council approved the FY 2023/24 Annual Action Plan and directed staff to incorporate all public comment into the final version prior to submission to Housing and Urban Development (HUD). This action incorporates all changes and aligns to the final version submitted to HUD.
Homeless Tenant Based Rental Assistance		183,412			On May 9, 2023, the City Council approved the FY 2023/24 Annual Action Plan and directed staff to incorporate all public comment into the final version prior to submission to Housing and Urban Development (HUD). This action incorporates all changes and aligns to the final version submitted to HUD.
Unrestricted Ending Fund Balance		(249,082)			This action decreases the unrestricted ending fund balance to offset the action recommended above.
	-	-	-	-	

City of Santa Clara

Recommended Revisions to the FY 2023/24 Operating and Capital Improvement Program Budget

Department	FY 2023/24 Source of Funds	FY 2023/24 Use of Funds	FY 2024/25 Source of Funds	FY 2024/25 Use of Funds	Explanation
Housing Authority Fund (164)					
Transfer to City Affordable Housing Fund		3,524,369			On May 2, 2023, the City Council directed staff to set aside funding of up to \$5.5 million to help fund operations of the Homekey Interim Housing Development. Of this amount being funded, \$3.5 million is recommended to be transferred to the City Affordable Housing Fund for this purpose.
Unrestricted Ending Fund Balance		(3,524,369)			This action decreases the unrestricted ending fund balance to offset the action recommended above.
	-	-	-	-	
Information Technology Services Fund (045)					
Beginning Fund Balance	475,533				Increases the beginning fund balance to use expenditure savings from FY 2022/23 to fund the adjustments below.
Information Technology - Replace Network Equipment Carryover		296,553			This action carries over the remaining balance for network equipment replacement. After a comprehensive procurement effort and Council approval, staff has been working with the vendor on finalizing the design. Two out of the three main segments of the design are complete and the vendor is working with staff on deploying those areas such as the new firewalls and Datacenter network.
Information Technology - IT Strategic Plan Carryover		100,000			This action carries over one-time funding for the IT strategic plan which is meant to develop effective use of technology to support Council goals and priorities as well as City services.

City of Santa Clara

Recommended Revisions to the FY 2023/24 Operating and Capital Improvement Program Budget

Department	FY 2023/24 Source of Funds	FY 2023/24 Use of Funds	FY 2024/25 Source of Funds	FY 2024/25 Use of Funds	Explanation
Information Technology Services Fund (045) (Cont'd.)					
Information Technology - Computer Replacement Carryover		50,000			This action carries over funding for computer replacement. The Department will be continuing to stretch the life of existing systems as much as possible while funding is built up for a more comprehensive computer replacement in the next couple of years.
Information Technology - County of Santa Clara Cost Sharing		6,000			This action adjusts the budget for a cost-sharing agreement with the County of Santa Clara for image mapping data acquisition. The Department anticipates this agreement's cost will increase in FY 2023/24 and this carryover is anticipated to cover the increase.
Information Technology - Microsoft Licensing Carryover		23,000			This action carries over the remaining balance for Microsoft Licensing to address the increasing number of licenses required throughout City departments.
	475,533	475,553	-	-	
Traffic Mitigation Fund (123)					
Other Revenue / Transfer to the Streets and Highways Capital Fund - Carryover Adjustments	221,500	221,500			This action carries over the Other Revenue estimate and Transfer to the Streets and Highways Fund of \$221,500 from FY 2022/23 for the traffic mitigation fees anticipated from Related Santa Clara for the Multimodal Improvement Plan Phase 1 and Multimodal Improvement Plan Phase 2 projects in the Streets and Highways Capital Fund as revenue has not yet been received for the projects.
	221,500	221,500	-	-	

City of Santa Clara

Recommended Revisions to the FY 2023/24 Operating and Capital Improvement Program Budget

Department	FY 2023/24 Source of Funds	FY 2023/24 Use of Funds	FY 2024/25 Source of Funds	FY 2024/25 Use of Funds	Explanation
Vehicle Replacement Fund (050)					
Beginning Fund Balance	(45,000)		(325,000)		Decreases the beginning fund balance to reflect the acceleration of vehicle purchases.
Capital Outlay		325,000		(325,000)	Increases the FY 2023/24 Capital Outlay budget to fund the replacement of an aerial truck for the Electric Utility Department. This vehicle is currently budgeted for replacement in FY 2024/25; however, funding is recommended to be advanced to FY 2023/24 in an effort to secure pricing and delivery schedule to minimize impacts of higher than normal inflation costs and extended lead times in delivery. Funding in FY 2024/25 is reduced to align with the advance replacement.
Capital Outlay		(45,000)			Decreases the Capital Outlay budget for an electric vehicle replacement for the Electric Utility Department. This vehicle was planned for replacement in FY 2023/24, however, in RTC 23-337 on May 23, 2023 Council approved funding to be advanced to FY 2022/23 to make use of existing contract pricing.
Unrestricted Ending Fund Balance		(325,000)			Adjusts the unrestricted fund balance to fund the action above.
	(45,000)	(45,000)	(325,000)	(325,000)	
Related Santa Clara Developer Fund (540)					
Developer Contributions / Related General Admin Project	9,252	9,252			Increases the developer contribution estimate and the Related General Admin Project to true up the salary costs associated with the project.
	9,252	9,252	-	-	

**CITY OF SANTA CLARA
RECOMMENDED REVISIONS TO THE FY 2023/24 CAPITAL BUDGET
CARRYOVER OF FY 2022/23 CAPITAL FUNDS TO FY 2023/24**

Cemetery Capital Fund

Project #	Project Name /Funding Source*	Source of Funds	Use of Funds
	Beginning Fund Balance	221,500	
	3628 Sarah E. Fox Memorial Mausoleum Repairs		221,500
	Cemetery Capital Fund Total	221,500	221,500

City Affordable Housing Capital Fund

Project #	Project Name /Funding Source*	Source of Funds	Use of Funds
	Beginning Fund Balance	1,600,000	
	5211 1601 Civic Center Drive - Low Income Housing		1,600,000
	City Affordable Housing Capital Fund Total	1,600,000	1,600,000

Convention Center Capital Fund

Project #	Project Name /Funding Source*	Source of Funds	Use of Funds
	Beginning Fund Balance	2,146,482	
	8101 Santa Clara Convention Center Condition Assessment Repair		2,146,482
	Convention Center Capital Fund Total	2,146,482	2,146,482

Electric Utility Capital Fund

Project #	Project Name /Funding Source*	Source of Funds	Use of Funds
	Beginning Fund Balance	95,848,918	
2004	Fiber Development, Design, and Expansion / Developer Contributions	374,898	1,179,730
2005	New Business Estimate Work		1,721,894
2006	Transmission and Distribution Capital Maintenance and Betterments / Developer Contributions	627,250	6,362,631
2010	Electric Yard Buildings and Grounds		2,122,950
2104	Serra Substation Re-Build		220,000
2111	Implementation of Advanced Metering Infrastructure (AMI)		284,183
2119	Generation Capital Maintenance and Betterments		900,000
2124	Transmission System Reinforcements		395,000
2127	Major Engine Overhaul and Repair		3,769,806
2395	Operations and Planning Technology		1,383,542
2398	Clean Energy and Carbon Reduction		4,313,015
2410	System Capacity Expansion		2,400,751
2418	Esperanca Substation / Developer Contributions	4,497,922	14,431,382
2423	Utility Billing CIS Replacement		2,000,000
2424	Substation Physical Security Improvements		226,503
2429	Storm Water Compliance		715,090
2431	Homestead Substation Rebuild		1,446,330
2432	Yard Pavement Project		835,000

**CITY OF SANTA CLARA
RECOMMENDED REVISIONS TO THE FY 2023/24 CAPITAL BUDGET
CARRYOVER OF FY 2022/23 CAPITAL FUNDS TO FY 2023/24**

Electric Utility Capital Fund (Cont'd.)

Project #	Project Name /Funding Source*	Source of Funds	Use of Funds
2434	Replace Balance of Plant Control System (DCS)		936,312
2435	DOT Gas Pipeline Upgrades and Repairs		845,000
2437	Valve Replacement and Repair		1,048,828
2440	Oaks Junction / Developer Contributions	2,500,000	2,121,025
2441	Electric Vehicle (EV) Charging		1,932,515
2442	San Tomas Junction / Developer Contributions	4,750,000	2,971,762
2443	Laurelwood Substation / Developer Contributions	5,500,000	5,464,307
2444	Northwest Loop Capacity Upgrade		1,050,000
2446	Renewable Energy Microgrid		4,058,039
2447	Substation Control and Communication System Replacement		40,000
2448	Stender Way Junction Substation / Developer Contributions	6,236,000	7,403,172
2449	Memorex Junction Substation / Developer Contributions	2,834,000	5,154,661
2450	Martin Avenue Junction Substation / Developer Contributions	574,000	770,653
2451	Freedom Circle Junction Substation / Developer Contributions	1,881,785	2,720,157
2452	60KV Breaker Upgrades / Load Development Fee	2,265,000	3,100,000
2453	KRS Rebuild and Replacement		8,000,000
2454	NRS Transformer and Breaker Upgrades		5,660,000
2455	NRS-KRS 115kV Line		2,090,000
2456	SRS Rebuild and Replacement		11,050,000
2457	Bowers Avenue Junction / Developer Contributions	1,458,879	2,781,825
2458	Walsh-Uranium 60kV Reconductor		34,570
2459	Transmission Loop 1		1,187,552
2460	Grizzly Tap Line Repairs		12,500,000
2461	Battery Energy Storage System		1,780,000
2462	Juliette Substation Transformer Rerate and Installation / Developer Contributions	4,312,493	4,253,960
2463	Transmission Loop 2 / Developer Contributions	2,000,000	2,000,000
2464	Democracy Substation / Developer Contributions	787,500	786,500
Electric Utility Capital Fund Total		136,448,645	136,448,645

**CITY OF SANTA CLARA
RECOMMENDED REVISIONS TO THE FY 2023/24 CAPITAL BUDGET
CARRYOVER OF FY 2022/23 CAPITAL FUNDS TO FY 2023/24**

Fire Department Capital Fund

Project #	Project Name /Funding Source*	Source of Funds	Use of Funds
	Beginning Fund Balance	479,843	
4063	Replacement SCBA Filling Stations		2,975
4067	Fire Department Accela Implementation		41,053
4084	Protective Equipment Replacement		137,794
4085	Emergency Operations Center Communications System Upgrade		40,599
4086	Emergency Operations Center Capital Refurbishment		3,221
4088	EMS System First Responder Projects		9,695
4094	Computer Aided Dispatch (CAD) Alerting System Upgrade		44,506
4097	Diesel Exhaust Removal Systems		200,000
Fire Department Capital Fund Total		479,843	479,843

General Government Capital Fund

Project #	Project Name /Funding Source*	Source of Funds	Use of Funds
	Beginning Fund Balance	6,821,717	
6003	City Facilities Fiber Network		155,945
6075	Permit Information System		138,790
6103	Utility Management Information System (UMIS) Enhancements		1,593,879
6118	CAD/RMS System Replacement		112,049
6179	UPRR Agnew Siding Project - City Utility Protection/Relocation		426,620
6501	FHRMS Update Project		1,000,974
6505	Replace Network Equipment		5,172
6513	Computer Replacement Program		246,712
6514	Consolidate and Upgrade Servers		273,662
6532	Intranet Collaboration Suite Implementation		175,375
6534	GIS Enterprise System (Geospatial Information System)		251,721
6549	Agenda and Document Management Systems		429,426
6551	End User/Desktop Transformation		95,851
6555	Office Reconfiguration		264,160
6557	Fire Station Video Conferencing		104,670
6558	Morse Mansion Maintenance & Repair		55,991
6559	Downtown Master Plan		9,501
6562	Transportation Demand Management		200,000
6563	El Camino Real Specific Plan		992,000
6564	Precise Plan for Downtown		289,219
General Government Capital Fund Total		6,821,717	6,821,717

**CITY OF SANTA CLARA
RECOMMENDED REVISIONS TO THE FY 2023/24 CAPITAL BUDGET
CARRYOVER OF FY 2022/23 CAPITAL FUNDS TO FY 2023/24**

Library Department Capital Fund

Project #	Project Name /Funding Source*	Source of Funds	Use of Funds
	Beginning Fund Balance	251,448	
5044	Mission Branch Remodel		7,121
5053	Photovoltaic System Installation at the Northside Branch Library		28,627
5055	Central Park Library - Concrete Sidewalk Replacement		215,700
Library Department Capital Fund Total		251,448	251,448

Parks and Recreation Capital Fund

Project #	Project Name /Funding Source*	Source of Funds	Use of Funds
	Beginning Fund Balance	20,823,850	
3001	Park Improvements		20,918
3101	Parks & Recreation Master Plan		300,000
3102	Facility Condition Assessment Update		400,000
3126	Patrick Henry Drive Specific Plan Community Art Center		529,353
3127	Parkland Acquisition		9,976,073
3128	MFA Developer Reimbursement		210,572
3129	Eddie Souza Building Repair	368,353	39,357
3130	Maywood Park Playground Rehabilitation	256,622	2,256,622
3132	Community Park North - Phase 1	500,000	500,000
3133	Central Park Master Plan - New Entrance, Access, and Parking Improvements		2,114,448
3134	Electronic Access for Meeting Rooms		530,441
3136	Westwood Oaks Park Playground Rehabilitation		1,833,384
3137	Warburton Park Playground Rehabilitation		1,331,800
3146	Mission Library Gazebo		5,637
3177	Youth Soccer Fields & Athletic Facilities- Reed & Grant Street		254,969
3181	Park Impact Fees (Quimby and MFA) Monitoring Project		1,011,064
3183	Central Park Magical Bridge Playground	3,156,020	100,947
3184	Montague Park Enhancement		1,374,426
3186	Restroom at Fairway Glen Park		7,063
3187	Bowers Roof Replacement		173,745

**CITY OF SANTA CLARA
RECOMMENDED REVISIONS TO THE FY 2023/24 CAPITAL BUDGET
CARRYOVER OF FY 2022/23 CAPITAL FUNDS TO FY 2023/24**

Parks and Recreation Capital Fund (Cont'd.)

Project #	Project Name /Funding Source*	Source of Funds	Use of Funds
3194	FF&E Developer Delivered Parkland LSAP		103,561
3195	Henry Schmidt Park Playground Rehabilitation		235,000
3196	Central Park Master Plan- Aquatic Center Planning & Design		358,000
3197	Parks Service Center Roof		800,000
3198	Quimby Developer Reimbursement		637,465
Parks and Recreation Capital Fund Total		25,104,845	25,104,845

Public Buildings Capital Fund

Project #	Project Name /Funding Source*	Source of Funds	Use of Funds
	Beginning Fund Balance	4,648,343	
6123	Public Building Parking Lot Improvements		357,821
6137	Hazardous Material Management for City Properties		161,615
6138	Repairs-Modifications to City Buildings		351,814
6139	Repair to Historic Buildings		2,906
6140	Triton Museum Repair and Modifications		21,546
6144	Civic Center Campus Renovation (Multi-Department)		139,127
6153	ADA Self Evaluation and Transition Plan Update		10,529
6158	Stationary Standby Generators		3,452,985
6177	Berman Building Gate and Electrical Panel Upgrades		150,000
Public Buildings Capital Fund Total		4,648,343	4,648,343

Sewer Utility Capital Fund

Project #	Project Name /Funding Source*	Source of Funds	Use of Funds
	Beginning Fund Balance	25,048,516	
1909	Sanitary Sewer Capacity Improvements		22,547,077
1912	Sanitary Sewer System Improvements		1,751,439
1916	Walsh Avenue @ San Tomas Aquino Creek Sanitary Sewer Siphon Relocation		750,000
Sewer Utility Capital Fund Total		25,048,516	25,048,516

**CITY OF SANTA CLARA
RECOMMENDED REVISIONS TO THE FY 2023/24 CAPITAL BUDGET
CARRYOVER OF FY 2022/23 CAPITAL FUNDS TO FY 2023/24**

Storm Drain Capital Fund

Project #	Project Name /Funding Source*	Source of Funds	Use of Funds
	Beginning Fund Balance	2,375,564	
1811	Storm Drain Pump Station Facility Maintenance & Repair		86,144
1831	Storm Drain Repairs and Maintenance		100,000
1834	Storm Drain System Improvements		33,268
1835	Storm Drain Pump Station Outfall Reconstruction Program		287,703
1837	Storm Water Retention Basin Remediation		10,877
1838	SDPS Motor and Control Maintenance, Repair, and Replacement		158,785
1839	Urban Runoff Pollution Prevention Program		215,000
1840	Kiely Blvd.-Saratoga Creek Storm Drain Outfall Relocation		125,500
1841	Laurelwood Pump Station Rehabilitation		850,843
1843	Lafayette St. Underpass at Subway Pump Station		10,476
1844	Storm Drain Slide Gate Rehabilitation		496,968
Storm Drain Capital Fund Total		2,375,564	2,375,564

Street Lighting Capital Fund

Project #	Project Name /Funding Source*	Source of Funds	Use of Funds
	Beginning Fund Balance	3,438,500	
2871	Miscellaneous Street Lighting		7,000
2874	LED Street Lighting Retrofit		1,670,000
2875	Great America Street Light Replacement Project		1,761,500
Street Lighting Capital Fund Total		3,438,500	3,438,500

Streets and Highways Capital Fund

Project #	Project Name /Funding Source*	Source of Funds	Use of Funds
	Beginning Fund Balance	28,801,197	
1202	Agnew Road At-Grade Crossing / Revenue from Other Agency - CalTrans	561,598	560,645
1203	Annual Creek Trail Rehabilitation Program		1,240,000
1204	Saratoga Creek Trail (Homeridge Park to Central Park)		2,510,453
1205	Pepper Tree Neighborhood Traffic Calming Study		91,055
1211	Neighborhood Traffic Calming		492,578
1212	LED Traffic Signal & Safety Light Replacements / Grant Funding	485,000	1,202,810
1217	Traffic Signal Management Software Upgrade/Replacement		1,520,685
1218	Traffic Pre-Emptors		879,266
1219	Traffic Signal Enhancements		1,257,725
1220	Pedestrian and Bicycle Enhancement Facilities		1,335,480
1225	Santa Clara VTA - Congestion Management Program		21

**CITY OF SANTA CLARA
RECOMMENDED REVISIONS TO THE FY 2023/24 CAPITAL BUDGET
CARRYOVER OF FY 2022/23 CAPITAL FUNDS TO FY 2023/24**

Streets and Highways Capital Fund (Cont'd.)

Project #	Project Name /Funding Source*	Source of Funds	Use of Funds
1226	Uncontrolled Crosswalks Improvements		857,117
1227	Changeable Message Signs		3,406,728
1232	Traffic Signal Interconnect Upgrade		886,874
1234	Transportation Modeling Update		51,049
1235	Annual Street Maintenance and Rehabilitation Program / VTA Measure B	10,242,849	12,219,194
1237	MCB/GAP Intersection Improvement Project		2,301,734
1239	Adaptive Signal System		1,850,000
1244	Scott Blvd Traffic Signal Interconnect & Coordination		120,726
1245	Benton Bike Lanes		1,233,521
1246	Bassett and Laurelwood Bicycle Lanes / Grant Funding	824,361	842,015
1249	Multimodal Improvement Plan Phase 1 Projects / Transfer from the Traffic Mitigation Fund (Related)	161,500	740,000
1249	Multimodal Improvement Plan Phase 1 Projects / Transfer from the Developer Traffic Payments Fund (Related)	578,500	
1250	Annual Curb Ramp Installation		301,430
1251	HAWK Beacon on Scott and Harrison		186,107
1252	Scott Boulevard Signal Timing Phase II		16,575
1254	Public Right-of-Way ADA Improvements (Settlement Agreement)		390,256
1255	Adaptive Signal System (Santana West Settlement Agreement)		950,000
1258	Multimodal Improvement Plan Phase 2 Projects / Developer Contributions	750,000	1,340,000
1258	Multimodal Improvement Plan Phase 2 Projects/ Transfer from the Traffic Mitigation Fund (Related)	60,000	
1258	Multimodal Improvement Plan Phase 2 Projects / Transfer from the Developer Traffic Payments Fund (Related)	530,000	
1259	Monroe - Los Padres Traffic Signal Modification		543,182
1260	Traffic Calming (Santana West Settlement Agreement)		250,000
1261	Santa Clara School Access Improvements / Grant Funding	723,389	13,043
1267	Lick Mill Pedestrian Beacons Upgrade		500,000
1271	Tree Replacement		17,747
1272	TDA 21 Bicycle Facilities Upgrade / Grant Funding	94,054	94,054

**CITY OF SANTA CLARA
RECOMMENDED REVISIONS TO THE FY 2023/24 CAPITAL BUDGET
CARRYOVER OF FY 2022/23 CAPITAL FUNDS TO FY 2023/24**

Streets and Highways Capital Fund (Cont'd.)

Project #	Project Name /Funding Source*	Source of Funds	Use of Funds
1274	Lafayette Class IV Bike Lanes / VTA Measure B	180,000	199,703
1275	De La Cruz Boulevard Class IV Bikeway Study / VTA Measure B	138,952	
1276	Monroe Street Class II Buffered Bicycle Lane Study / VTA Measure B	138,626	
1277	Walsh Avenue Class IV Bikeway Study / VTA Measure B	174,011	7,696
1279	Multi-Jurisdictional Transportation Technology / VTA Measure B ITS	135,000	135,000
1280	MCB Class IV Bike Lanes / Grant Funding	11,123	65,000
1283	Stevens Creek Boulevard Vision Study		100,296
1284	Santa Clara Pedestrian and Bicycle School Safety / Grant Funding	25,000	25,000
1285	Pruneridge Avenue Signal Timing / Grant Funding	84,970	1,000,000
1286	Tasman Complete Streets Plan 2021 Improvements Phase 1 – North San Jose Settlement		1,500,000
1287	Citywide Priority Curb Ramp / Grant Funding	309,078	309,078
1288	Cupertino-Santa Clara On-Demand Shuttle Project		689,547
1325	Bridge Maintenance Program		1,369,894
1376	Safe Routes to School / VTA Measure B	414,157	7,595
1382	Sidewalk, Curb and Gutter Repair		150,000
1385	Santa Clara Citywide ITS Project 1 / VTA Measure B ITS	260,939	
1386	Santa Clara Citywide ITS Project 2 / VTA Measure B ITS	435,177	358,602
Streets and Highways Capital Fund Total		46,119,481	46,119,481

Tasman East Infrastructure Improvement Fund

Project #	Project Name /Funding Source*	Source of Funds	Use of Funds
	Beginning Fund Balance	1,423,145	
4611	Tasman East Developer Reimbursement		1,423,145
Tasman East Infrastructure Improvement Fund Total		1,423,145	1,423,145

Water Utility Capital Fund

Project #	Project Name /Funding Source*	Source of Funds	Use of Funds
	Beginning Fund Balance	2,869,756	
7005	Buildings and Grounds		580,000
7057	Asset Management Program		197,636
7059	New and Replacement Wells		2,092,120
Water Utility Capital Fund Total		2,869,756	2,869,756

* Source of fund other than beginning fund balance is shown after the project name.

Fund	Mayor and City Council Offices	City Attorney's Office	City Clerk's Office	City Auditor's Office
General Fund	1,124,281	3,076,516	1,947,261	948,445
Special Revenue Funds				
Bridge Maintenance District #2 Fund				
Building Development Services Fund				
Building Special Programs and Training Fund				
City Affordable Housing Fund				
Community Facilities District 2019-1 Lawrence Station Fund				
Convention Center Maintenance District Fund				
Developer Traffic Payments Fund				
Downtown Parking Maintenance District Fund				
Endowment Care Fund				
Fire Development Services Fund				
Fire Operating Grant Trust Fund				
Gas Tax Fund				
Housing and Urban Development Fund				
Housing Authority Fund				
Housing Successor Agency Fund				
Park and Recreation Operating Grant Trust Fund				
Perpetual Care Fund				
Public, Educational and Governmental Fee Fund				
Road Maintenance and Rehabilitation (SB1) Fund				
Traffic Mitigation Fund				
TOTAL	0	0	0	0
Enterprise Funds				
Cemetery Fund				
Convention Center Enterprise Fund				
Electric Operating Grant Trust Fund				
Electric Utility Fund				
Sewer Utility Fund				
Solid Waste Fund				
Water Recycling Fund				
Water Utility Fund				
TOTAL	0	0	0	0
Internal Service Funds				
Communications Acquisitions Fund				
Fleet Operations Fund				
Information Technology Service Fund				
Public Works Capital Projects Management Services Fund				
Special Liability Insurance Fund				
Unemployment Insurance Fund				
Vehicle Replacement Fund				
Workers' Compensation Fund				
TOTAL	0	0	0	0
Debt Service Funds				
Electric Utility Debt Service Fund				
Public Facilities Financing Corporation Fund				
Sewer Utility Debt Service Fund				
TOTAL	0	0	0	0
Other Agency Fund				
Sports and Open Space Authority Fund				
TOTAL	0	0	0	0
GRAND TOTAL	1,124,281	3,076,516	1,947,261	948,445

Fund	City Manager's Office	Community Development Department	Electric Utility Department	Finance Department
General Fund	5,410,204	5,121,256		18,192,257
Special Revenue Funds				
Bridge Maintenance District #2 Fund				
Building Development Services Fund		13,874,054		
Building Special Programs and Training Fund		44,995		
City Affordable Housing Fund		6,683,926		
Community Facilities District 2019-1 Lawrence Station Fund				
Convention Center Maintenance District Fund				
Developer Traffic Payments Fund				
Downtown Parking Maintenance District Fund				
Endowment Care Fund				
Fire Development Services Fund				
Fire Operating Grant Trust Fund				
Gas Tax Fund				
Housing and Urban Development Fund		3,993,723		
Housing Authority Fund		3,981,562		
Housing Successor Agency Fund		873,227		
Park and Recreation Operating Grant Trust Fund				
Perpetual Care Fund				
Public, Educational and Governmental Fee Fund				
Road Maintenance and Rehabilitation (SB1) Fund				
Traffic Mitigation Fund				
TOTAL	0	29,451,487	0	0
Enterprise Funds				
Cemetery Fund				
Convention Center Enterprise Fund				
Electric Operating Grant Trust Fund			42,917,231	
Electric Utility Fund			676,086,628	
Sewer Utility Fund				
Solid Waste Fund				
Water Recycling Fund				
Water Utility Fund				
TOTAL	0	0	719,003,859	0
Internal Service Funds				
Communications Acquisitions Fund				
Fleet Operations Fund				
Information Technology Service Fund				
Public Works Capital Projects Management Services Fund				
Special Liability Insurance Fund				
Unemployment Insurance Fund				
Vehicle Replacement Fund				
Workers' Compensation Fund				
TOTAL	0	0	0	0
Debt Service Funds				
Electric Utility Debt Service Fund				
Public Facilities Financing Corporation Fund				
Sewer Utility Debt Service Fund				
TOTAL	0	0	0	0
Other Agency Fund				
Sports and Open Space Authority Fund				
TOTAL	0	0	0	0
GRAND TOTAL	5,410,204	34,572,743	719,003,859	18,192,257

Fund	Fire Department	Human Resources Department	Information Technology Department	Library Department
General Fund	62,616,032	4,300,090		11,135,937
Special Revenue Funds				
Bridge Maintenance District #2 Fund				
Building Development Services Fund				
Building Special Programs and Training Fund				
City Affordable Housing Fund				
Community Facilities District 2019-1 Lawrence Station Fund				
Convention Center Maintenance District Fund				
Developer Traffic Payments Fund				
Downtown Parking Maintenance District Fund				
Endowment Care Fund				
Fire Development Services Fund	3,109,073			
Fire Operating Grant Trust Fund	4,006,904			
Gas Tax Fund				
Housing and Urban Development Fund				
Housing Authority Fund				
Housing Successor Agency Fund				
Park and Recreation Operating Grant Trust Fund				
Perpetual Care Fund				
Public, Educational and Governmental Fee Fund			200,000	
Road Maintenance and Rehabilitation (SB1) Fund				
Traffic Mitigation Fund				
TOTAL	7,115,977	0	200,000	0
Enterprise Funds				
Cemetery Fund				
Convention Center Enterprise Fund				
Electric Operating Grant Trust Fund				
Electric Utility Fund				
Sewer Utility Fund				
Solid Waste Fund				
Water Recycling Fund				
Water Utility Fund				
TOTAL	0	0	0	0
Internal Service Funds				
Communications Acquisitions Fund				
Fleet Operations Fund				
Information Technology Service Fund			13,570,485	
Public Works Capital Projects Management Services Fund				
Special Liability Insurance Fund				
Unemployment Insurance Fund				
Vehicle Replacement Fund				
Workers' Compensation Fund				
TOTAL	0	0	13,570,485	0
Debt Service Funds				
Electric Utility Debt Service Fund				
Public Facilities Financing Corporation Fund				
Sewer Utility Debt Service Fund				
TOTAL	0	0	0	0
Other Agency Fund				
Sports and Open Space Authority Fund				
TOTAL	0	0	0	0
GRAND TOTAL	69,732,009	4,300,090	13,770,485	11,135,937

Fund	Parks & Recreation Department	Police Department	Department of Public Works	Water and Sewer Utility Department
General Fund	21,933,152	85,598,562	25,799,934	
Special Revenue Funds				
Bridge Maintenance District #2 Fund			80,000	
Building Development Services Fund				
Building Special Programs and Training Fund				
City Affordable Housing Fund				
Community Facilities District 2019-1 Lawrence Station Fund	241,292	94,760	37,221	
Convention Center Maintenance District Fund			1,919,119	
Developer Traffic Payments Fund			1,108,500	
Downtown Parking Maintenance District Fund			136,990	
Endowment Care Fund	30,000			
Fire Development Services Fund				
Fire Operating Grant Trust Fund				
Gas Tax Fund			4,650,000	
Housing and Urban Development Fund				
Housing Authority Fund				
Housing Successor Agency Fund				
Park and Recreation Operating Grant Trust Fund	152,363			
Perpetual Care Fund	500			
Public, Educational and Governmental Fee Fund			2,500,000	
Road Maintenance and Rehabilitation (SB1) Fund			921,500	
Traffic Mitigation Fund				
TOTAL	424,155	94,760	11,353,330	0
Enterprise Funds				
Cemetery Fund	1,535,171			
Convention Center Enterprise Fund				
Electric Operating Grant Trust Fund				
Electric Utility Fund				
Sewer Utility Fund				33,856,908
Solid Waste Fund			39,316,243	
Water Recycling Fund				8,234,584
Water Utility Fund				54,294,067
TOTAL	1,535,171	0	39,316,243	96,385,559
Internal Service Funds				
Communications Acquisitions Fund		995,232		
Fleet Operations Fund			5,462,441	
Information Technology Service Fund				
Public Works Capital Projects Management Services Fund			4,111,656	
Special Liability Insurance Fund				
Unemployment Insurance Fund				
Vehicle Replacement Fund			3,069,600	
Workers' Compensation Fund				
TOTAL	0	995,232	12,643,697	0
Debt Service Funds				
Electric Utility Debt Service Fund				
Public Facilities Financing Corporation Fund				
Sewer Utility Debt Service Fund				
TOTAL	0	0	0	0
Other Agency Fund				
Sports and Open Space Authority Fund				
TOTAL	0	0	0	0
GRAND TOTAL	23,892,478	86,688,554	89,113,204	96,385,559

Fund	Non- Departmental	Convention Center	Other Agency	Other Internal Service
General Fund	34,591,631			
Special Revenue Funds				
Bridge Maintenance District #2 Fund				
Building Development Services Fund				
Building Special Programs and Training Fund				
City Affordable Housing Fund				
Community Facilities District 2019-1 Lawrence Station Fund				
Convention Center Maintenance District Fund				
Developer Traffic Payments Fund				
Downtown Parking Maintenance District Fund				
Endowment Care Fund				
Fire Development Services Fund				
Fire Operating Grant Trust Fund				
Gas Tax Fund				
Housing and Urban Development Fund				
Housing Authority Fund				
Housing Successor Agency Fund				
Park and Recreation Operating Grant Trust Fund				
Perpetual Care Fund				
Public, Educational and Governmental Fee Fund				
Road Maintenance and Rehabilitation (SB1) Fund				
Traffic Mitigation Fund				
TOTAL	0	0	0	0
Enterprise Funds				
Cemetery Fund				
Convention Center Enterprise Fund		16,103,582		
Electric Operating Grant Trust Fund				
Electric Utility Fund				
Sewer Utility Fund				
Solid Waste Fund				
Water Recycling Fund				
Water Utility Fund				
TOTAL	0	16,103,582	0	0
Internal Service Funds				
Communications Acquisitions Fund				
Fleet Operations Fund				
Information Technology Service Fund				
Public Works Capital Projects Management Services Fund				
Special Liability Insurance Fund				6,195,000
Unemployment Insurance Fund				105,000
Vehicle Replacement Fund				
Workers' Compensation Fund				6,097,000
TOTAL	0	0	0	12,397,000
Debt Service Funds				
Electric Utility Debt Service Fund				
Public Facilities Financing Corporation Fund				
Sewer Utility Debt Service Fund				
TOTAL	0	0	0	0
Other Agency Fund				
Sports and Open Space Authority Fund			10,000	
TOTAL	0	0	10,000	0
GRAND TOTAL	34,591,631	16,103,582	10,000	12,397,000

Fund	Debt Service	Grand Total
General Fund		281,795,558
Special Revenue Funds		
Bridge Maintenance District #2 Fund		80,000
Building Development Services Fund		13,874,054
Building Special Programs and Training Fund		44,995
City Affordable Housing Fund		6,683,926
Community Facilities District 2019-1 Lawrence Station Fund		373,273
Convention Center Maintenance District Fund		1,919,119
Developer Traffic Payments Fund		1,108,500
Downtown Parking Maintenance District Fund		136,990
Endowment Care Fund		30,000
Fire Development Services Fund		3,109,073
Fire Operating Grant Trust Fund		4,006,904
Gas Tax Fund		4,650,000
Housing and Urban Development Fund		3,993,723
Housing Authority Fund		3,981,562
Housing Successor Agency Fund		873,227
Park and Recreation Operating Grant Trust Fund		152,363
Perpetual Care Fund		500
Public, Educational and Governmental Fee Fund		200,000
Road Maintenance and Rehabilitation (SB1) Fund		2,500,000
Traffic Mitigation Fund		921,500
TOTAL	0	48,639,709
Enterprise Funds		
Cemetery Fund		1,535,171
Convention Center Enterprise Fund		16,103,582
Electric Operating Grant Trust Fund		42,917,231
Electric Utility Fund		676,086,628
Sewer Utility Fund		33,856,908
Solid Waste Fund		39,316,243
Water Recycling Fund		8,234,584
Water Utility Fund		54,294,067
TOTAL	0	872,344,414
Internal Service Funds		
Communications Acquisitions Fund		995,232
Fleet Operations Fund		5,462,441
Information Technology Service Fund		13,570,485
Public Works Capital Projects Management Services Fund		4,111,656
Special Liability Insurance Fund		6,195,000
Unemployment Insurance Fund		105,000
Vehicle Replacement Fund		3,069,600
Workers' Compensation Fund		6,097,000
TOTAL	0	39,606,414
Debt Service Funds		
Electric Utility Debt Service Fund	339,529,056	339,529,056
Public Facilities Financing Corporation Fund	1,402,440	1,402,440
Sewer Utility Debt Service Fund	34,041,553	34,041,553
TOTAL	374,973,049	374,973,049
Other Agency Fund		
Sports and Open Space Authority Fund		10,000
TOTAL	0	10,000
GRAND TOTAL	374,973,049	1,617,369,144

Fund	Mayor and City Council Offices	City Attorney's Office	City Clerk's Office	City Auditor's Office
General Fund	1,176,723	3,205,702	2,067,068	985,489
Special Revenue Funds				
Bridge Maintenance District #2 Fund				
Building Development Services Fund				
Building Special Programs and Training Fund				
City Affordable Housing Fund				
Community Facilities District 2019-1 Lawrence Station Fund				
Convention Center Maintenance District Fund				
Downtown Parking Maintenance District Fund				
Endowment Care Fund				
Fire Development Services Fund				
Fire Operating Grant Trust Fund				
Gas Tax Fund				
Housing and Urban Development Fund				
Housing Authority Fund				
Housing Successor Agency Fund				
Park and Recreation Operating Grant Trust Fund				
Perpetual Care Fund				
Public, Educational and Governmental Fee Fund				
Road Maintenance and Rehabilitation (SB1) Fund				
Traffic Mitigation Fund				
TOTAL	0	0	0	0
Enterprise Funds				
Cemetery Fund				
Convention Center Enterprise Fund				
Electric Operating Grant Trust Fund				
Electric Utility Fund				
Sewer Utility Fund				
Solid Waste Fund				
Water Recycling Fund				
Water Utility Fund				
TOTAL	0	0	0	0
Internal Service Funds				
Communications Acquisitions Fund				
Fleet Operations Fund				
Information Technology Service Fund				
Public Works Capital Projects Management Services Fund				
Special Liability Insurance Fund				
Unemployment Insurance Fund				
Vehicle Replacement Fund				
Workers' Compensation Fund				
TOTAL	0	0	0	0
Debt Service Funds				
Electric Utility Debt Service Fund				
Public Facilities Financing Corporation Fund				
Sewer Utility Debt Service Fund				
TOTAL	0	0	0	0
Other Agency Fund				
Sports and Open Space Authority Fund				
TOTAL	0	0	0	0
GRAND TOTAL	1,176,723	3,205,702	2,067,068	985,489

Fund	City Manager's Office	Community Development Department	Electric Utility Department	Finance Department
General Fund	5,175,582	5,392,464		19,012,771
Special Revenue Funds				
Bridge Maintenance District #2 Fund				
Building Development Services Fund		14,846,926		
Building Special Programs and Training Fund		44,995		
City Affordable Housing Fund		1,595,486		
Community Facilities District 2019-1 Lawrence Station Fund				
Convention Center Maintenance District Fund				
Downtown Parking Maintenance District Fund				
Endowment Care Fund				
Fire Development Services Fund				
Fire Operating Grant Trust Fund				
Gas Tax Fund				
Housing and Urban Development Fund		2,115,381		
Housing Authority Fund		414,581		
Housing Successor Agency Fund		899,463		
Park and Recreation Operating Grant Trust Fund				
Perpetual Care Fund				
Public, Educational and Governmental Fee Fund				
Road Maintenance and Rehabilitation (SB1) Fund				
Traffic Mitigation Fund				
TOTAL	0	19,916,832	0	0
Enterprise Funds				
Cemetery Fund				
Convention Center Enterprise Fund				
Electric Operating Grant Trust Fund			34,309,180	
Electric Utility Fund			752,145,329	
Sewer Utility Fund				
Solid Waste Fund				
Water Recycling Fund				
Water Utility Fund				
TOTAL	0	0	786,454,509	0
Internal Service Funds				
Communications Acquisitions Fund				
Fleet Operations Fund				
Information Technology Service Fund				
Public Works Capital Projects Management Services Fund				
Special Liability Insurance Fund				
Unemployment Insurance Fund				
Vehicle Replacement Fund				
Workers' Compensation Fund				
TOTAL	0	0	0	0
Debt Service Funds				
Electric Utility Debt Service Fund				
Public Facilities Financing Corporation Fund				
Sewer Utility Debt Service Fund				
TOTAL	0	0	0	0
Other Agency Fund				
Sports and Open Space Authority Fund				
TOTAL	0	0	0	0
GRAND TOTAL	5,175,582	25,309,296	786,454,509	19,012,771

Fund	Fire Department	Human Resources Department	Information Technology Department	Library Department
General Fund	63,324,867	4,439,328		11,317,625
Special Revenue Funds				
Bridge Maintenance District #2 Fund				
Building Development Services Fund				
Building Special Programs and Training Fund				
City Affordable Housing Fund				
Community Facilities District 2019-1 Lawrence Station Fund				
Convention Center Maintenance District Fund				
Downtown Parking Maintenance District Fund				
Endowment Care Fund				
Fire Development Services Fund	3,264,818			
Fire Operating Grant Trust Fund	4,513,514			
Gas Tax Fund				
Housing and Urban Development Fund				
Housing Authority Fund				
Housing Successor Agency Fund				
Park and Recreation Operating Grant Trust Fund				
Perpetual Care Fund				
Public, Educational and Governmental Fee Fund			200,000	
Road Maintenance and Rehabilitation (SB1) Fund				
Traffic Mitigation Fund				
TOTAL	7,778,332	0	200,000	0
Enterprise Funds				
Cemetery Fund				
Convention Center Enterprise Fund				
Electric Operating Grant Trust Fund				
Electric Utility Fund				
Sewer Utility Fund				
Solid Waste Fund				
Water Recycling Fund				
Water Utility Fund				
TOTAL	0	0	0	0
Internal Service Funds				
Communications Acquisitions Fund				
Fleet Operations Fund				
Information Technology Service Fund			12,956,944	
Public Works Capital Projects Management Services Fund				
Special Liability Insurance Fund				
Unemployment Insurance Fund				
Vehicle Replacement Fund				
Workers' Compensation Fund				
TOTAL	0	0	12,956,944	0
Debt Service Funds				
Electric Utility Debt Service Fund				
Public Facilities Financing Corporation Fund				
Sewer Utility Debt Service Fund				
TOTAL	0	0	0	0
Other Agency Fund				
Sports and Open Space Authority Fund				
TOTAL	0	0	0	0
GRAND TOTAL	71,103,199	4,439,328	13,156,944	11,317,625

Fund	Parks & Recreation Department	Police Department	Department of Public Works	Water and Sewer Utility Department
General Fund	22,809,299	90,185,180	26,728,107	
Special Revenue Funds				
Bridge Maintenance District #2 Fund			80,000	
Building Development Services Fund				
Building Special Programs and Training Fund				
City Affordable Housing Fund				
Community Facilities District 2019-1 Lawrence Station Fund	248,531	97,603	38,337	
Convention Center Maintenance District Fund			1,774,119	
Downtown Parking Maintenance District Fund			144,609	
Endowment Care Fund	30,000			
Fire Development Services Fund				
Fire Operating Grant Trust Fund				
Gas Tax Fund			2,550,000	
Housing and Urban Development Fund				
Housing Authority Fund				
Housing Successor Agency Fund				
Park and Recreation Operating Grant Trust Fund	152,363			
Perpetual Care Fund	500			
Public, Educational and Governmental Fee Fund				
Road Maintenance and Rehabilitation (SB1) Fund			2,500,000	
Traffic Mitigation Fund			1,600,000	
TOTAL	431,394	97,603	8,687,065	0
Enterprise Funds				
Cemetery Fund	1,591,088			
Convention Center Enterprise Fund				
Electric Operating Grant Trust Fund				
Electric Utility Fund				
Sewer Utility Fund				50,232,161
Solid Waste Fund			40,785,274	
Water Recycling Fund				9,502,867
Water Utility Fund				61,185,602
TOTAL	1,591,088	0	40,785,274	120,920,630
Internal Service Funds				
Communications Acquisitions Fund		1,013,568		
Fleet Operations Fund			5,651,174	
Information Technology Service Fund				
Public Works Capital Projects Management Services Fund			4,362,916	
Special Liability Insurance Fund				
Unemployment Insurance Fund				
Vehicle Replacement Fund			4,386,000	
Workers' Compensation Fund				
TOTAL	0	1,013,568	14,400,090	0
Debt Service Funds				
Electric Utility Debt Service Fund				
Public Facilities Financing Corporation Fund				
Sewer Utility Debt Service Fund				
TOTAL	0	0	0	0
Other Agency Fund				
Sports and Open Space Authority Fund				
TOTAL	0	0	0	0
GRAND TOTAL	24,831,781	91,296,351	90,600,536	120,920,630

Fund	Non- Departmental	Convention Center	Other Agency	Other Internal Service
General Fund	31,638,763			
Special Revenue Funds				
Bridge Maintenance District #2 Fund				
Building Development Services Fund				
Building Special Programs and Training Fund				
City Affordable Housing Fund				
Community Facilities District 2019-1 Lawrence Station Fund				
Convention Center Maintenance District Fund				
Downtown Parking Maintenance District Fund				
Endowment Care Fund				
Fire Development Services Fund				
Fire Operating Grant Trust Fund				
Gas Tax Fund				
Housing and Urban Development Fund				
Housing Authority Fund				
Housing Successor Agency Fund				
Park and Recreation Operating Grant Trust Fund				
Perpetual Care Fund				
Public, Educational and Governmental Fee Fund				
Road Maintenance and Rehabilitation (SB1) Fund				
Traffic Mitigation Fund				
TOTAL	0	0	0	0
Enterprise Funds				
Cemetery Fund				
Convention Center Enterprise Fund		18,284,444		
Electric Operating Grant Trust Fund				
Electric Utility Fund				
Sewer Utility Fund				
Solid Waste Fund				
Water Recycling Fund				
Water Utility Fund				
TOTAL	0	18,284,444	0	0
Internal Service Funds				
Communications Acquisitions Fund				
Fleet Operations Fund				
Information Technology Service Fund				
Public Works Capital Projects Management Services Fund				
Special Liability Insurance Fund				6,497,000
Unemployment Insurance Fund				110,000
Vehicle Replacement Fund				
Workers' Compensation Fund				6,327,000
TOTAL	0	0	0	12,934,000
Debt Service Funds				
Electric Utility Debt Service Fund				
Public Facilities Financing Corporation Fund				
Sewer Utility Debt Service Fund				
TOTAL	0	0	0	0
Other Agency Fund				
Sports and Open Space Authority Fund		0	10,200	
TOTAL	0	0	10,200	0
GRAND TOTAL	31,638,763	18,284,444	10,200	12,934,000

Fund	Debt Service	Grand Total
General Fund		287,458,968
Special Revenue Funds		
Bridge Maintenance District #2 Fund		80,000
Building Development Services Fund		14,846,926
Building Special Programs and Training Fund		44,995
City Affordable Housing Fund		1,595,486
Community Facilities District 2019-1 Lawrence Station Fund		384,471
Convention Center Maintenance District Fund		1,774,119
Downtown Parking Maintenance District Fund		144,609
Endowment Care Fund		30,000
Fire Development Services Fund		3,264,818
Fire Operating Grant Trust Fund		4,513,514
Gas Tax Fund		2,550,000
Housing and Urban Development Fund		2,115,381
Housing Authority Fund		414,581
Housing Successor Agency Fund		899,463
Park and Recreation Operating Grant Trust Fund		152,363
Perpetual Care Fund		500
Public, Educational and Governmental Fee Fund		200,000
Road Maintenance and Rehabilitation (SB1) Fund		2,500,000
Traffic Mitigation Fund		1,600,000
TOTAL	0	37,111,226
Enterprise Funds		
Cemetery Fund		1,591,088
Convention Center Enterprise Fund		18,284,444
Electric Operating Grant Trust Fund		34,309,180
Electric Utility Fund		752,145,329
Sewer Utility Fund		50,232,161
Solid Waste Fund		40,785,274
Water Recycling Fund		9,502,867
Water Utility Fund		61,185,602
TOTAL	0	968,035,945
Internal Service Funds		
Communications Acquisitions Fund		1,013,568
Fleet Operations Fund		5,651,174
Information Technology Service Fund		12,956,944
Public Works Capital Projects Management Services Fund		4,362,916
Special Liability Insurance Fund		6,497,000
Unemployment Insurance Fund		110,000
Vehicle Replacement Fund		4,386,000
Workers' Compensation Fund		6,327,000
TOTAL	0	41,304,602
Debt Service Funds		
Electric Utility Debt Service Fund	36,296,170	36,296,170
Public Facilities Financing Corporation Fund	1,405,940	1,405,940
Sewer Utility Debt Service Fund	2,945,824	2,945,824
TOTAL	40,647,934	40,647,934
Other Agency Fund		
Sports and Open Space Authority Fund		10,200
TOTAL	0	10,200
GRAND TOTAL	40,647,934	1,374,568,875

Project Number	Project Name	Proposed FY 2023/24	Carryover from FY 2022/23 / Other Adjustments	Amended FY 2023/24
Cemetery Capital Fund (593)				
3628	Sarah E. Fox Memorial Mausoleum Repairs	0	221,500	221,500
	TOTAL	0	221,500	221,500
City Affordable Housing Capital Fund (565)				
5200	Transfer to the City Affordable Housing Fund	0	1,600,000	1,600,000
5211	Civic Center Drive - Low Income Housing	0	1,600,000	1,600,000
	TOTAL	0	3,200,000	3,200,000
Convention Center Capital Fund (865)				
8101	Santa Clara Convention Center Condition Assessment Repair	0	2,146,482	2,146,482
	TOTAL	0	2,146,482	2,146,482
Electric Utility Capital Fund (591)				
2452	60KV Breaker Upgrades	0	3,100,000	3,100,000
2461	Battery Energy Storage System	200,000	1,780,000	1,980,000
2457	Bowers Avenue Junction	0	2,781,825	2,781,825
2398	Clean Energy and Carbon Reduction	0	4,313,015	4,313,015
2464	Democracy Substation	0	786,500	786,500
2435	DOT Gas Pipeline Upgrades and Repairs	0	845,000	845,000
NEW	Duane-Scott 115kV Reconductor	1,620,000	0	1,620,000
2441	Electric Vehicle (EV) Charging	1,000,000	1,932,515	2,932,515
2010	Electric Yard Buildings and Grounds	566,000	2,122,950	2,688,950
2418	Esperanca Substation	12,484,526	14,431,382	26,915,908
2004	Fiber Development, Design, and Expansion	2,262,737	1,179,730	3,442,467
2451	Freedom Circle Junction Substation	1,363,250	2,720,157	4,083,407
2119	Generation Capital Maintenance and Betterments	2,100,000	900,000	3,000,000
2460	Grizzly Tap Line Repairs	12,500,000	12,500,000	25,000,000
2431	Homestead Substation Rebuild	0	1,446,330	1,446,330
2111	Implementation of Advanced Metering Infrastructure (AMI)	0	284,183	284,183
2462	Juliette Substation Transformer Rerate and Installation	0	4,253,960	4,253,960
2453	KRS Rebuild and Replacement	78,460,203	8,000,000	86,460,203
2443	Laurelwood Substation	0	5,464,307	5,464,307
2127	Major Engine Overhaul and Repair	205,000	3,769,806	3,974,806
2450	Martin Avenue Junction Substation	5,838,000	770,653	6,608,653
2449	Memorex Junction Substation	3,776,000	5,154,661	8,930,661
2005	New Business Estimate Work	4,786,250	1,721,894	6,508,144
2444	Northwest Loop Capacity Upgrade	3,700,000	1,050,000	4,750,000
2454	NRS Transformer and Breaker Upgrades	81,888,394	5,660,000	87,548,394
2455	NRS-KRS 115kV Line	29,258,000	2,090,000	31,348,000
2440	Oaks Junction	0	2,121,025	2,121,025
2395	Operations and Planning Technology	225,000	1,383,542	1,608,542
2459	Transmission Loop 1	3,500,000	1,187,552	4,687,552
2446	Renewable Energy Microgrid	0	4,058,039	4,058,039
2434	Replace Balance of Plant Control System (DCS)	0	936,312	936,312
2442	San Tomas Junction	0	2,971,762	2,971,762
2104	Serra Substation Re-Build	0	220,000	220,000
NEW	South Loop Reconductor	18,610,000	0	18,610,000
2456	SRS Rebuild and Replacement	79,500,203	11,050,000	90,550,203
2448	Stender Way Junction Substation	194,000	7,403,172	7,597,172
2429	Storm Water Compliance	0	715,090	715,090
2008	Substation Capital Maintenance and Betterments	1,034,000	0	1,034,000
2447	Substation Control and Communication System Replacement	95,396	40,000	135,396
2424	Substation Physical Security Improvements	0	226,503	226,503
2410	System Capacity Expansion	947,536	2,400,751	3,348,287
2006	Transmission and Distribution Capital Maintenance and Betterments	3,077,708	6,362,631	9,440,339
2463	Transmission Loop 2	0	2,000,000	2,000,000

Project Number	Project Name	Proposed FY 2023/24	Carryover from FY 2022/23 / Other Adjustments	Amended FY 2023/24
Electric Utility Capital Fund (591) (Cont'd.)				
2124	Transmission System Reinforcements	0	395,000	395,000
2423	Utility Billing CIS Replacement	0	2,000,000	2,000,000
2437	Valve Replacement and Repair	0	1,048,828	1,048,828
2458	Walsh-Uranium 60kV Reconductor	2,380,000	34,570	2,414,570
2432	Yard Pavement Project	0	835,000	835,000
TOTAL		351,572,203	136,448,645	488,020,848
Fire Department Capital Fund (536)				
4094	Computer Aided Dispatch (CAD) Alerting System Upgrade	0	44,506	44,506
4097	Diesel Exhaust Removal Systems	0	200,000	200,000
4089	Defibrillator/Monitor Replacement	70,000	0	70,000
4086	Emergency Operations Center Capital Refurbishment	0	3,221	3,221
4085	Emergency Operations Center Communications System Upgrade	0	40,599	40,599
4088	EMS System First Responder Projects	0	9,695	9,695
4067	Fire Department Accela Implementation	0	41,053	41,053
4084	Protective Equipment Replacement	357,374	137,794	495,168
4063	Replacement of SCBA Filling Stations	0	2,975	2,975
TOTAL		427,374	479,843	907,217
General Government Fund (539)				
6549	Agenda and Document Management Systems	0	429,426	429,426
6003	City Facilities Fiber Network	0	155,945	155,945
6118	CAD/RMS System Replacement	0	112,049	112,049
6513	Computer Replacement Program	0	246,712	246,712
6514	Consolidate and Upgrade Servers	0	273,662	273,662
6559	Downtown Master Plan	0	9,501	9,501
6563	El Camino Real Specific Plan	0	992,000	992,000
6551	End User/Desktop Transformation	0	95,851	95,851
6501	FHRMS Update Project	75,000	1,000,974	1,075,974
6557	Fire Station Video Conferencing	0	104,670	104,670
6534	GIS Enterprise System (Geospatial Information System)	300,000	251,721	551,721
6532	Intranet Collaboration Suite Implementation	0	175,375	175,375
6558	Morse Mansion Maintenance & Repair	50,000	55,991	105,991
6555	Office Reconfiguration	0	264,160	264,160
6075	Permit Information System	0	138,790	138,790
6564	Precise Plan for Downtown	0	289,219	289,219
6505	Replace Network Equipment	0	5,172	5,172
6562	Transportation Demand Management	0	200,000	200,000
6179	UPRR Agnew Siding Project - City Utility Protection/Relocation	0	426,620	426,620
6103	Utility Management Information System (UMIS) Enhancements	500,000	1,593,879	2,093,879
TOTAL		925,000	6,821,717	7,746,717
Library Department Capital Fund (537)				
5055	Central Park Library - Concrete Sidewalk Replacement	0	215,700	215,700
5049	Central Park Library Public Spaces	0	28,627	28,627
5044	Remodel of Mission Branch Library	0	7,121	7,121
TOTAL		0	251,448	251,448
Parks and Recreation Capital Fund (532)				
3187	Bowers Park Roof Replacement	0	173,745	173,745
3183	Central Park Magical Bridge Playground	0	100,947	100,947
3196	Central Park Master Plan - Aquatic Center Planning & Design	0	358,000	358,000
3133	Central Park Master Plan - New Entrance, Access, and Parking Improvements	0	2,114,448	2,114,448
3132	Community Park North - Phase I	0	500,000	500,000

Project Number	Project Name	Proposed FY 2023/24	Carryover from FY 2022/23 / Other Adjustments	Amended FY 2023/24
Parks and Recreation Capital Fund (532) (Cont'd.)				
3129	Eddie Souza Park Building Repair	0	39,357	39,357
3134	Electronic Access for Meeting Rooms	0	530,441	530,441
3102	Facility Condition Assessment Update Project	0	400,000	400,000
3194	FF&E Developer Delivered Parkland	0	103,561	103,561
3195	Henry Schmidt Park Playground Rehabilitation	0	235,000	235,000
3130	Maywood Park Playground Rehabilitation	0	2,256,622	2,256,622
3128	MFA Developer Reimbursement	0	210,572	210,572
3146	Mission Library Gazebo	0	5,637	5,637
3184	Montague Park Enhancement	0	1,374,426	1,374,426
3101	Parks & Recreation Master Plan	0	300,000	300,000
3181	Park Impact Fees (Quimby, MFA, Developer) Monitoring Project	278,000	1,011,064	1,289,064
3001	Park Improvements	0	20,918	20,918
3127	Parkland Acquisition	0	9,976,073	9,976,073
3197	Parks Service Center Roof	0	800,000	800,000
3126	Patrick Henry Drive Specific Plan Community Art Center	0	529,353	529,353
3199	PW Capital Projects Management - Parks & Recreation	1,020,457	0	1,020,457
3198	Quimby Developer Reimbursement	0	637,465	637,465
3186	Restroom at Fairway Glen Park	0	7,063	7,063
3137	Warburton Park Playground Rehabilitation	0	1,331,800	1,331,800
3136	Westwood Oaks Park Playground Rehabilitation	0	1,833,384	1,833,384
3177	Youth Soccer Fields & Athletic Facilities- Reed & Grant Street	0	254,969	254,969
TOTAL		1,298,457	25,104,845	26,403,302
Patrick Henry Drive Infrastructure Improvement Fund (542)				
4700	Transfer to the General Fund Capital Projects Reserve	69,205	0	69,205
4710	Patrick Henry Drive Administration	71,281	0	71,281
TOTAL		140,486	0	140,486
Public Buildings Capital Fund (538)				
6153	ADA Self Evaluation and Transition Plan Update	0	10,529	10,529
6177	Berman Building Gate and Electrical Panel Upgrades	0	150,000	150,000
6144	Civic Center Campus Renovation (Multi-Department)	0	139,127	139,127
6199	PW Capital Projects Management - Public Buildings	169,019	0	169,019
6137	Hazardous Material Management for City Properties	0	161,615	161,615
6123	Public Building Parking Lot Improvements	0	357,821	357,821
6139	Repair to Historic Buildings	100,000	2,906	102,906
6138	Repairs-Modifications to City Buildings	175,000	351,814	526,814
6158	Stationary Standby Generators	1,111,000	3,452,985	4,563,985
6140	Triton Museum Repair and Modifications	35,000	21,546	56,546
TOTAL		1,590,019	4,648,343	6,238,362
Recycled Water Capital Fund (597)				
7505	Recycled Water System Mains and Services	50,000	0	50,000
TOTAL		50,000	0	50,000
Related Santa Clara Developer Fund (540)				
4511	Related General Admin Project	318,330	9,252	327,582
4513	Other Development Project Services	650,000	0	650,000
TOTAL		968,330	9,252	977,582

Project Number	Project Name	Proposed FY 2023/24	Carryover from FY 2022/23 / Other Adjustments	Amended FY 2023/24
Sewer Utility Capital Fund (594)				
1979	PW Capital Projects Management - Sewer	467,313	0	467,313
1908	S.J.-S.C. Regional Wastewater Facility	12,416,453	0	12,416,453
1909	Sanitary Sewer Capacity Improvements	214,915	22,547,077	22,761,992
1911	Sanitary Sewer System Condition Assessment	500,000	0	500,000
1912	Sanitary Sewer System Improvements	0	1,751,439	1,751,439
1919	Sanitary Sewer Hydraulic Modeling As Needed Support	123,120	0	123,120
1916	Walsh Avenue @ San Tomas Aquino Creek Sanitary Sewer Siphon Relocation	0	750,000	750,000
TOTAL		13,721,801	25,048,516	38,770,317
Solid Waste Capital Fund (596)				
6109	Sanitary Landfill Development - Post Closure	765,000	0	765,000
TOTAL		765,000	0	765,000
Storm Drain Capital Fund (535)				
1700	Transfer to General Fund	1,454,000	0	1,454,000
1840	Kiely Blvd.-Saratoga Creek Storm Drain Outfall Relocation	0	125,500	125,500
1843	Lafayette St. Underpass at Subway Pump Station	0	10,476	10,476
1841	Laurelwood Pump Station Rehabilitation	0	850,843	850,843
1899	PW Capital Projects Management - Storm Drain	93,414	0	93,414
1838	SDPS Motor and Control Maintenance, Repair, and Replacement	408,000	158,785	566,785
1811	Storm Drain Pump Station Facility Maintenance & Repair	71,000	86,144	157,144
1835	Storm Drain Pump Station Outfall Reconstruction Program	0	287,703	287,703
1831	Storm Drain Repairs and Maintenance	0	100,000	100,000
1844	Storm Drain Slide Gate Rehabilitation	0	496,968	496,968
1834	Storm Drain System Improvements	0	33,268	33,268
1837	Storm Water Retention Basin Remediation	0	10,877	10,877
1839	Urban Runoff Pollution Prevention Program (URPPP)	300,000	215,000	515,000
TOTAL		2,326,414	2,375,564	4,701,978
Street Lighting Capital Fund (534)				
2875	Great America Street Light Replacement Project	0	1,761,500	1,761,500
2874	LED Street Lighting Retrofit	0	1,670,000	1,670,000
2871	Miscellaneous Street Lighting	125,000	7,000	132,000
TOTAL		125,000	3,438,500	3,563,500
Streets and Highways Capital Fund (533)				
1239	Adaptive Signal System	0	1,850,000	1,850,000
1255	Adaptive Signal System (Santana West Settlement Agreement)	0	950,000	950,000
1202	Agnew Road At-Grade Crossing	0	560,645	560,645
1203	Annual Creek Trail Rehabilitation Program	200,000	1,240,000	1,440,000
1250	Annual Curb Ramp Installation	150,000	301,430	451,430
1235	Annual Street Maintenance and Rehabilitation Program	7,648,832	12,219,194	19,868,026
1246	Bassett and Laurelwood Bicycle Lanes	0	842,015	842,015
1245	Benton Bike Lanes	0	1,233,521	1,233,521
1325	Bridge Maintenance Program	820,000	1,369,894	2,189,894
1227	Changeable Message Signs	0	3,406,728	3,406,728
1287	Citywide Priority Curb Ramp	0	309,078	309,078
1288	Cupertino-Santa Clara On Demand Shuttle	0	689,547	689,547
1266	El Camino Real Bike Lane	200,000	0	200,000
1251	HAWK Beacon on Scott and Harrison	0	186,107	186,107
1274	Lafayette Class IV Bike Lanes	0	199,703	199,703
1212	LED Traffic Signal & Safety Light Replacements	300,000	1,202,810	1,502,810
1267	Lick Mill Pedestrian Beacons Upgrade	0	500,000	500,000
1280	MCB Class IV Bike Lanes	0	65,000	65,000

		Carryover from FY 2022/23 /		
Project Number	Project Name	Proposed FY 2023/24	Other Adjustments	Amended FY 2023/24
Streets and Highways Capital Fund (533) (Cont'd.)				
1237	MCB/GAP Intersection Improvement Project	0	2,301,734	2,301,734
1259	Monroe - Los Padres Traffic Signal Modification	0	543,182	543,182
1279	Multi-Jurisdictional Transportation Technology	0	135,000	135,000
1249	Multimodal Improvement Plan Phase 1	0	740,000	740,000
1258	Multimodal Improvement Plan Phase 2	0	1,340,000	1,340,000
1211	Neighborhood Traffic Calming	0	492,578	492,578
1220	Pedestrian and Bicycle Enhancement Facilities	185,000	1,335,480	1,520,480
1205	Pepper Tree Neighborhood Traffic Calming Study	0	91,055	91,055
1285	Pruneridge Avenue Signal Timing	0	1,000,000	1,000,000
1254	Public Right-of-Way ADA Improvements	0	390,256	390,256
1199	PW Capital Projects Management - Streets and Highways	2,023,418	0	2,023,418
1376	Safe Routes to School	165,000	7,595	172,595
1386	Santa Clara Citywide ITS Project 2 (Lafayette, Benton, and Monroe)	0	358,602	358,602
1284	Santa Clara Pedestrian and Bicycle School Safety	0	25,000	25,000
1261	Santa Clara School Access Improvements	0	13,043	13,043
1225	Santa Clara Valley Transportation Authority - Congestion Management Program	271,400	21	271,421
1204	Saratoga Creek Trail (Homeridge Park to Central Park)	0	2,510,453	2,510,453
1244	Scott Blvd Traffic Signal Interconnect & Coordination	0	120,726	120,726
1252	Scott Boulevard Signal Timing Phase II	0	16,575	16,575
1382	Sidewalk, Curb and Gutter Repair	700,000	150,000	850,000
1283	Stevens Creek Boulevard Vision Study	0	100,296	100,296
1273	Street Tree Services	463,050	0	463,050
1272	TDA21 Bicycle Facilities Upgrade	0	94,054	94,054
1286	Tasman Complete Streets Plan 2021 Improvements Phase 1 – North San Jose Settlement Project	1,500,000	1,500,000	3,000,000
1260	Traffic Calming (Santana West Settlement Agreement)	0	250,000	250,000
1256	Traffic Engineering Consultant Support	100,000	0	100,000
1282	Traffic Impact Fee Nexus Study Update	300,000	0	300,000
1218	Traffic Pre-Emptors	0	879,266	879,266
1219	Traffic Signal Enhancements	150,000	1,257,725	1,407,725
1232	Traffic Signal Interconnect Upgrade	100,000	886,874	986,874
1217	Traffic Signal Management Software Upgrade/Replacement	0	1,520,685	1,520,685
1234	Transportation Modeling Update	50,000	51,049	101,049
1271	Tree Replacement	0	17,747	17,747
1226	Uncontrolled Crosswalks Improvements	2,450,000	857,117	3,307,117
1277	Walsh Avenue Class IV Bikeway Study	0	7,696	7,696
TOTAL		17,776,700	46,119,481	63,896,181
Tasman East Infrastructure Improvement Fund (541)				
4610	Tasman East Administration	27,330	0	27,330
4611	Tasman East Developer Reimbursement	0	1,423,145	1,423,145
TOTAL		27,330	1,423,145	1,450,475
Water Utility Capital Fund (592)				
7057	Asset Management Program	150,000	197,636	347,636
7005	Buildings and Grounds	1,515,000	580,000	2,095,000
7054	Distribution System Replacement/Restoration	2,000,000	0	2,000,000
7059	New and Replacement Wells	1,000,000	2,092,120	3,092,120
7058	SCADA Improvements	500,000	0	500,000
TOTAL		5,165,000	2,869,756	8,034,756
GRAND TOTAL		396,879,114	260,607,037	657,486,151

FY 2023/24 and FY 2024/25 Proposed Operating Budget Responses to Questions from the 5/9/23 Budget Study Session

1. Does the high SVP vacancy rate prevent us from executing projects? If SVP is an enterprise, can't we hire competitively?

Response: Yes, the vacancies can have an impact on projects and proactive maintenance. Holistically, recruitment has been prioritized, and outside recruiting firms/consultants have been brought on to assist in this effort. We are hiring aggressively, but the market is still very competitive. While the SVP vacancy rate is steady, since we have added more positions, the overall number of filled positions has increased.

2. Are we capped at 9.5% for the sales tax? How do transportation-related district taxes factor into that cap?

Response: A district sales tax is a revenue-generating option that requires voter approval. This option will be included as part of the separate discussion of potential ballot measures starting with the November 2024 ballot. The City's current sales tax rate is 9.125% and includes the base statewide rate of 7.25% (State: 6%, City: 1%, County Transportation: 0.25%) and district taxes of 1.875%.

The combined rate of all district taxes imposed in any county is capped at 2% unless particular district taxes are exempted. The chart below from the California Department and Tax and Fee Administration provides a breakdown of Santa Clara County's district taxes. There are two district taxes totaling 0.625% that are exempt from the 2% cap as noted below. The other four county district taxes that count towards the cap total 1.25%, **leaving 0.75% capacity available** for the City of Santa Clara for a maximum rate of 9.875%.

Legal Name	Rate	2% Cap	Operative Date	Sunset Date	ORD No.	AB/SB No.
Silicon Valley Transportation Solutions Tax	0.50%	Exempt	4/1/2017	3/31/2047	2016-01	SB 703 (2017)
2020 Peninsula Corridor Joint Powers Board Retail Transactions and Use Tax	0.125%	Exempt	7/1/2021	6/30/2051	Reso 2020-40	SB 797 (2017-2018)
Santa Clara County Transit District	0.50%	Included	10/1/1976	NONE	2, 2.1, 2.2	
Santa Clara Valley Transportation Authority	0.50%	Included	4/1/2006	3/31/2036	01.1	
Santa Clara VTA BART Operating and Maintenance Transactions and Use Tax	0.125%	Included	7/1/2012	6/30/2042	2011.01	
Santa Clara County Retail Transactions and Use Tax	0.125%	Included	4/1/2013	NONE	NS-7.13; NS-7.19	
Total Included Under 2% Cap	1.25%					
Total Available for City of Santa Clara	0.75%					

There are four cities within Santa Clara County that have approved district taxes: San José (0.25%), Milpitas (0.25%), Campbell (0.25%), and Los Gatos (0.125%).

3. How conservative are we with the growth assumptions from development in our forecast?

Response: Secured property tax growth of 4.5% to 6% annually is projected which is appropriately conservative. This requires growth from new development of approximately \$750 million - \$1 billion annually. New developments may also generate other revenues, such as sales tax and transfer from the City's utilities. The forecast assumes annual growth in these areas that is not tied to particular developments. It is difficult to determine the timing of these projects. From a finance perspective, we do not want to put ourselves in a position where we need to downsize because we

FY 2023/24 and FY 2024/25 Proposed Operating Budget Responses to Questions from the 5/9/23 Budget Study Session

over-estimated the positive impacts from development. To the extent the City realizes these gains, the forecast will be revised.

4. Are we incorporating Airbnb-type rentals into our Transient Occupancy Tax (TOT)? How diligently are we going after illegal rentals?

Response: The City has a voluntary collection agreement (VCA) with Airbnb to collect TOT on our behalf. The City will also explore entering VCAs with other providers, such as VRBO. There are currently no zoning code requirements that regulate short term rentals from a land use perspective. As part of the Zoning Code Update process, outreach was conducted on the topic and new regulations will be proposed as part of the upcoming Zoning Code Update. As proposed, any short-term rental would be required to obtain an annual permit which would be administratively issued. The Zoning Code Update is scheduled for City Council consideration in October. This would be a policy level discussion. It is also notable that revenue generated from administrative permits would be set at a level to cover the costs of enforcement.

5. 76% of the General Fund Budget goes to Salaries and Benefits. How does that compare to other cities?

Response: There are variances with other cities depending on how and if they budget different services between the General Fund and other funds and variances in their operations (e.g., in-house services vs. contracting out services). The allocation of 70% to 80% of the General Fund budget to salaries and benefits is typical of most cities.

6. With a citywide 16.7% vacancy, does that mean we have around 191 vacancies of our 1149.25 positions?

Response: Yes, that is the correct assumption of roughly 190 vacancies. The goal is to stay ahead of the retirements and other separations from City employment to increase staffing capacity.

7. When does the Federal Grant for SAFER start? Is it when we hire the person or related to the fiscal year?

Response: The three-year grant period began in March 2023 and ends in March 2026. After the expiration of the grant, there would be a net cost to the City to continue funding the 18.0 firefighter positions. These positions provide relief staffing when there are absences rather than the use of overtime; however, the associated overtime savings are not sufficient to cover the staff costs. At the end of the grant period, a budget and policy discussion will be necessary to determine if and how many of the positions to continue and how those positions would be staffed. If the positions are continued beyond the grant period, additional funding not currently included in the Forecast will need to be allocated.

8. What are our options to obtain funding for the \$500 million in unfunded infrastructure need? What are ways we can fund CIP needs like a new swim center, aging fire stations and fire infrastructure, and Central Park North?

Response: Many cities have dedicated capital revenue streams, while the City of Santa Clara has a pay-as-you go approach for much of its infrastructure. A separate Council item will discuss these various funding options for potential ballot measures, starting with the November 2024 ballot.

FY 2023/24 and FY 2024/25 Proposed Operating Budget Responses to Questions from the 5/9/23 Budget Study Session

9. **Why does the presentation (slide 15) show a reduction in sales tax of \$2 million dollars while the other slides show increased in sales tax?**

Response: Sales tax is expected to grow each year. The decrease in sales tax shown on Slide 15 is a comparison of the previous forecast to an updated forecast. Sales tax did not improve as much as we had previously assumed and actual receipts in FY 2021/22 were below expectations, which lowered the starting point for the updated forecast. Overall, sales tax is increasing, though not at the rate we previously assumed.

10. **Have we incorporated high inflation rates into the budget particularly as they are driving higher construction and labor costs?**

Response: The operating budget has assumptions around labor based on negotiated MOU agreements and the CIP amendments include adjustments to a few projects based on inflation and higher costs. In the upcoming FY 2024/25 and FY 2025/26 Capital Budget cycle, additional adjustments may be brought forward to address the high inflation and construction costs. Capital projects are estimated to also include a contingency to cover unforeseen increases in costs.

11. **How did we factor in the volatility of the CalPERS costs/return? What are the actuarial assumptions for the worst-case scenario and how can we plan for that?**

Response: Yes, we plan for the change in the performance in the two-year budget and the 10-year forecast. For FY 2023/24, the information provided by CalPERS is used for budget development as those figures (normal cost rates and unfunded actuarial liability (UAL) dollar amounts) represent the amounts the City will be charged in FY 2023/24. For FY 2024/25 and the remaining years of the forecast, information from the City's actuary is used to model the projected normal rates and UAL dollar amounts. The rates modeled by the actuary are more conservative and factor in the retirement plan losses experienced in FY 2021/22 and expected reduction of investment return assumptions based on CalPERS risk mitigation policies. The City also has a Pension Trust Reserve in the General Fund and Enterprise Funds, which we have increased as funding is available, to help cover the City's risk.

12. **How are counties and cities resolving the issue with online sales tax distribution? How does the city ensure we are getting our fair share?**

Response: Online sales and use tax can be allocated to the City where a product is sent from if the company has a physical presence in California (e.g., retail store, fulfillment center in California) or can be allocated through the County pool for out-of-state vendors selling in California (the County pool is allocated based on relative sales tax collected by jurisdictions). While the methodology makes it difficult in terms of transparency, the City works with its sales tax consultant to audit sales tax receipts to help ensure the City is receiving all of its revenue. Additionally, the League of California Cities has a subcommittee of City Managers that is working on a new paradigm for allocating sales tax given the move to on-line sales.

13. **Prioritize getting library and senior center hours to pre-COVID times. What needs to be done to accomplish that?**

Response: Planning for increased library and senior center hours are underway. The funding included in the budget is available to increase library and senior center hours, however, filling staff vacancies is ongoing. Recruitments for both full-time and as-needed positions are in progress. Assuming the successful completion of these recruitments, the Departments are developing a

FY 2023/24 and FY 2024/25 Proposed Operating Budget Responses to Questions from the 5/9/23 Budget Study Session

phased-in implementation plan that would increase both Library and Senior Center hours. During Phase 1, the Senior Center will reopen with limited programming by July 1 with a goal of expanding operations to include Saturday hours. During Phase 2, the Library will seek to increase hours to six-days a week by the Fall. Additional time is needed for the Library Department to properly train new staff and develop the appropriate community programming.

14. What is the update on the On-Demand Shuttle program in collaboration with the City of Cupertino? What can we communicate with the residents?

Response: RTC 23-409 regarding the agreement with Cupertino on the joint on-demand shuttle service project is on the June 6, 2023 Agenda and provides details regarding this program. As described in that RTC, the planned expansion into Santa Clara would occur after completion of the funding agreement between Cupertino and Santa Clara. The RTC describes the phased expansion into Santa Clara, the fares and service hours, the service launch targets, and the funding agreement.

15. How can we explore public/private partnerships in restoring some of our services?

Response: Partnering with outside organizations is part of how we do business. For instance, the Parks & Recreation Department contracts with or establishes Memoranda of Understanding (MOU) with many service providers for special programs and services depending upon the community need and expertise. The Library Department partners with the Santa Clara City Library Foundation and Friends that raises money for all branches of the library to support programming and materials. If additional effort is desired, staff resources would be necessary to support this targeted effort and those resources would be determined based on the scope of that work.

16. While we are ready to hire, how can we explore opportunities for automation and efficiencies and the implementation of AI where we can?

Response: While the budget includes funding for technology, including ongoing improvements and realizing efficiencies, staff would need to explore AI technologies and how further efficiencies could be achieved. As efficiencies are considered, the process must conform with the Civil Service Rules for classified positions.

17. What is the streets capital project at the end of the presentation?

Response: Funding of \$463,050 is provided in the Street Tree Services capital project for the third and final year of the Modesto Ash tree removal. The trees were studied in a consultant report brought to council on February 23, 2021 and were considered a hazard to the city. This action is included in the CIP amendments (Streets and Highways Capital Fund) in the Appendix of the Proposed Budget.

18. What are measures for Council to consider that would augment the City's revenue? Can that be included in the next report we know what we need to discuss?

Response: City staff is researching several ideas for generating revenue and a separate Council item will be brought forward to discuss those ideas (e.g., general obligation bond, parcel tax, documentary transfer tax, district sales tax, utility tax). In the fall, staff will be seeking input on the specific revenues the City Council would like to explore further.

FY 2023/24 and FY 2024/25 Proposed Operating Budget Responses to Questions from the 5/9/23 Budget Study Session

19. Have we considered removing positions that have had long time vacancies?

Response: Yes, we have used this method over the past three years in the evaluation of budget proposals to bring forward to address the General Fund shortfalls. The strategy now is to fill budgeted positions in order to improve services.

20. Are we adding officers to reopen the Northside substation?

Response: The Community Service Officer (CSO) assigned to the Northside substation was frozen in FY 2020/21 as a budget balancing action and was subsequently restored in FY 2021/22. The position has been approved to hire and the plan is to reopen the substation once hiring of staff is complete. A separate Council item (RTC 23-475) was approved at the May 23rd Council Agenda to extend the property lease to May 31, 2028.

21. How are we using \$1.1 million in reserves in FY 2023/24 and then replenishing it in FY 2024/25?

Response: Based on projected General Fund revenues and expenditures, the use of \$1.1 million of the Budget Balancing Reserve is needed in FY 2023/24 to balance the budget. In FY 2024/25, the reserve is able to be replenished due primarily to the phased implementation of the Transient Occupancy Tax increase as well as additional overtime savings in year two generated from the Fire Department's SAFER grant. In FY 2023/24, overtime savings from the SAFER grant is generated for only a portion of the year after the 18 firefighter positions complete the 5-month Fire Academy while the full year of savings is realized in FY 2024/25.

22. For the Lick Mill Boulevard Beacons project, how much longer are we carrying that forward? Because the costs seem to be increasing.

Response: City Council awarded the design contract in late summer 2022 to make improvements at several locations along Lick Mill Boulevard. This project is actively under design and the consultant is approximately 70% complete. The schedule anticipates bidding out the project for construction in fall 2023.

23. When we use one-time funds, such as ARPA, for ongoing costs are we just adding to future shortfalls? How do we avoid using one-time funds to fund ongoing costs?

Response: As part of the FY 2021/22 and FY 2022/23 operating budget adoption, Council approved the use of one-time stimulus funds to protect services and offset the significant loss revenue due to the COVID-19 restrictions. As a practice, one-time funds are best allocated to one-time expenses with ongoing funds used to cover ongoing expenses. However, there are certain circumstances that warrant the use of a combination of one-time and ongoing solutions to balance the budget. Severe disruptions, such as the pandemic or a deep recession, can quickly change the City's finances and it would cause major service upheavals to close the resulting budget gaps entirely with ongoing solutions. In these cases, a balanced approach can be used to allow time for the City's finances to normalize, determine the true ongoing impacts, and phase in any service impacts.

FY 2023/24 and FY 2024/25 Proposed Operating Budget Responses to Questions from the 5/9/23 Budget Study Session

24. How much money can we save in third party partnerships if the swim club manages the pool? Additionally, would it be better if we replaced the pool instead of repairing it?

Response: Whether to provide aquatic services in-house, to contract with a third party or some combination thereof is a policy issue. In evaluating this issue, several factors need to be considered: 1) the programming to be provided; 2) the revenues to be generated; 3) the cost to provide services; 3) status of existing agreements; and 4) the fiscal responsibility for capital repair and maintenance costs which are the single most significant cost factor associated with Aquatics programming. While the City has historically partnered with local Swim Clubs for the provision of certain programs, the City has always retained responsibility for day-to-day operations of facilities as well as the costs associated with capital repair and maintenance. However, the City lacks a dedicated source of funding to maintain the City's various pools and the City continues to experience equipment failures that impact services. In an effort to answer the question whether to continue to repair existing facilities or replace, the City has initiated a formal process to hire a qualified consultant to perform a forensic study of the pools. This study will provide expert opinion as to whether existing facilities have reached, or surpassed, their useful life with recommendations as to the whether the facilities can continue to provide services in a safe environment in alignment with health and safety codes. It is anticipated that staff will return to the Council with a recommendation later in the calendar year.

25. How does the Police Department address other public safety issues, etc. unhoused people, mental health? Are we going to allocate any funding to that?

Response: The Police Community Response Team (CRT) deals with quality of life issues that can often be non-criminal/nuisance matters. The unit is currently comprised of four officers and a sergeant. The department is in the process of adding a licensed clinician from the county to the team to assist with emergency calls and long-term mental health cases. The clinician is funded by grant monies. The proposed budget for public safety has no reductions in services or positions; the department is also strongly considering adding additional officers to the unit as staffing improves.

26. Why did the Council budget increase by 30%?

Response: The Mayor and City Council budget increased due to the shift of 1.0 Assistant to the City Manager position from the City Manager's Office to the Mayor and City Council based on the work assignments.

27. What is the status of bringing back the D.A.R.E. program?

Response: The positions in the Police Department are funded in the budget to support drug prevention education. The program was initially paused due to COVID-19 restrictions and has not yet restarted due to staff vacancies. The department is in the early stages of developing a new program to get our officers back into the schools. Staffing permitting, the current plan would introduce a pilot program to include drug prevention education at a few schools in the next school year.

28. While programs like D.A.R.E. are paused, before resuming them, have we looked into replacing them with more effective programs instead? There was concern from residents about the effectiveness of the program.

Response: The Police Department has been evaluating the benefits and drawbacks of the existing program. For a number of reasons, staff has concluded that the nationally regulated curriculum is

FY 2023/24 and FY 2024/25 Proposed Operating Budget Responses to Questions from the 5/9/23 Budget Study Session

not as effective within our community. The Police Department plans to retain the services of a curriculum development professional to facilitate a collaborative effort with the Santa Clara Unified School District (SCUSD) on developing a homegrown program with lessons and messages that center on our community values. At this time, the plan is to conduct a pilot program with a select number of SCUSD sites in the Spring of 2024, with an intended district-wide deployment beginning in the 2024/2025 school year.

29. Measure M passed a few years ago, but we never took advantage of it. Are we looking into any revenue from cannabis or using Measure M?

Response: The Proposed Budget does not assume any revenue from cannabis. On May 12, 2020, the City Council adopted Ordinance No. 2018, which prohibits all commercial cannabis activities with the City of Santa Clara. Any change to this ordinance is a policy discussion for the City Council that would take into consideration projected revenues and potential impacts on City services and public safety.

30. Do the City of Cupertino's online internet sales with Apple affect the City of Santa Clara?

Response: Some cities have agreements with specific companies to assign point-of-sale (POS) for sales tax purposes to that jurisdiction, resulting in that jurisdiction receiving the entire 1% local sales tax allocated to cities. A portion of the local 1% sales tax is then returned to those companies. The City of Santa Clara does not have any POS agreements. If POS agreements in other cities are dissolved or changed, this could potentially positively impact Santa Clara if it receives some of the sales tax previously allocated to a particular city. The impact of the Apple decision in Cupertino on City of Santa Clara sales tax is unknown at this time. Additional revenue from these sources will not be budgeted until there is data on actual performance.

31. Can we address the missing director for the Police Activities League (PAL) Organization?

Response: The PAL Director has historically been a Police Department position. While the assignment to this function is dependent on available filled staffing in the Police Department, there are concerns regarding the City staffing of this organization. Guidance from the City Attorney's Office will be sought regarding this structure.

32. Can we address being short-staffed in school site officers and community service officers for park patrols?

Response: School Resource Officers (SRO) provide dedicated service to all schools within the city. SROs are unique in that their interactions generally result in punitive results for students. The Police Department has not had SROs for several years – dating back well before COVID-19. As Police staffing continues to improve, we will look at statistics for uniformed response to schools and determine if it merits bringing back SROs.

Proactive park patrol had historically been a role filled by paid Police Reserve Officers. In FY 2020/21, the as-needed budget for park patrols was cut. Since then, the Police Department has used overtime funds to provide some park patrols when needed.

FY 2023/24 and FY 2024/25 Proposed Operating Budget Responses to Questions from the 5/9/23 Budget Study Session

- 33. With the 12% vacancy rate in the Police Department, what is the plan to manage the vacancy rate as additional upcoming retirements occur? With the World Cup and Super Bowl events in Santa Clara, this is a concern.**

Response: The current hiring process will drop the Police Department's vacancy rate, but upcoming retirements will have an effect. The City will continue to prioritize recruitments and hiring to manage vacancies.

- 34. Can we continue to relook at Park fees charged to youth groups?**

Response: As referred in the April 18, 2023 Council meeting, a separate study session will be scheduled to further discuss this topic.

- 35. Can we work on receiving non-NFL event revenues for the General Fund?**

Response: The booking of events for the Stadium is managed through a management company, the Forty Niners Stadium Management Company, LLC (Management Co). Future Non-NFL Event revenues to the General Fund will be depended on the success of future events and the outcome of ongoing litigation.

- 36. Can get a budget summary for the public?**

Response: A Budget-in-Brief that summarizes the budget has been added to the City's website and is included as an attachment to the Budget Study Session RTC.

FY 2023/24 and FY 2024/25 Proposed Operating Budget Responses to Questions from the 6/6/23 Budget Study Session

- 1. Confirm the budget provides for expanded library and senior center hours and provide the timeline for the expanded hours. How many positions are budgeted in the Library Department, and how many of the positions are in recruitment? How many positions are budgeted in the Parks and Recreation Department for the Senior Center, and how many positions are in recruitment?**

Response: Yes, the proposed budget includes funding to restore library and senior center hours. It is important to note, however, that as part of the City's cost containment strategy during COVID and in accordance with bargaining agreements, as-needed personnel in both Departments were significantly reduced. As such, while funding is available to support increased staffing in the budget, restoration of increased hours is contingent upon the City's ability to successfully recruit, hire and train personnel. The City has been actively recruiting for both full-time and as-needed staffing in anticipation that funding would be available in the proposed FY23/24 budget.

Within this context, the Departments have developed phased-in implementation plans that would increase both Library and Senior Center hours as follows:

Senior Center – The Senior Center has 4.04 budgeted (and filled positions) dedicated to the site with two additional positions that provide support as collateral duties. In addition, the Department of Parks and Recreation is allocated a lump sum amount to hire as-needed staffing. Given the nature of their programs that can require varying work schedules, the Department utilizes as-needed staffing to ensure flexibility to hire based on program need and the availability of part-time staffing. This enables the Department to offer programs at night and on the weekends as well as for seasonal periods throughout the year. The number of as-needed personnel varies based on program needs and time of the year.

Over the past year, the Senior Center has used approximately 10,000 as-needed hours. Approximately 18,000 as-needed hours would be available in the proposed FY 2023/24 budget for this program. Recruitment is underway for the as-needed positions to support this program.

The Senior Center is currently open 40 hours per week. Effective July 10, 2023, those hours would increase to 52 hours per week, contingent upon successful completion of hiring currently underway. The goal of the Department is to provide 56 hours of service per week at the Senior Center by the fall.

It is important to note that the approved FY 2021/22 and FY 2022/23 Adopted Operating Budget assumes six weeks of non-programmed time throughout the year to allow for maintenance, transitions between seasonal programming and cost savings.

To provide greater access to the natatorium, the number of days of service will also increase to five days by July 10th. An overview of the proposed expansion for both the Senior Center and the natatorium is as follows:

FY 2023/24 and FY 2024/25 Proposed Operating Budget Responses to Questions from the 6/6/23 Budget Study Session

Facility	Current	July 10	Fall 2023
Senior Center	40 hours per week; Mon. – Fri.: 7 am - 3 pm	52 hours per week; Mon/Wed: 7 am – 7 pm Tues/Thurs/Fri: 7 am– 3 pm Sat.: 8:00 am– 12:00 pm	56 hours per week; Mon/Wed: 7 am – 7 pm Tues/Thurs: 7 am – 5 pm Friday: 7 am to 3 pm Sat.: 8:00 am – 12:00 pm
Natatorium	Mon /Wed 9am-12pm Tue/Thu 8am -12pm open swim	Mon/Wed: 9 am-12 pm; 4 pm-7 pm classes/open swim Tue/Thu 8 am-12 pm open swim Sat 8:30 am-11:30 am open swim	Mon/Wed: 9 am-12 pm; 4 pm-7 pm classes/open swim <i>Hours are subject to change due to staff availability-Check Senior Center News</i>

Library Department – The Library has 42.75 budgeted positions, of which 6.0 positions are vacant. Over the past year, the Library used approximately 13,000 as-needed hours to support daily operations. The FY 2023/24 as-needed budget for the Library would fund almost 26,000 as-needed hours. Recruitment is underway for the 6.0 vacant positions and as-needed staff.

The Library Department currently staffs three sites (Central Park Library, Mission Branch Library and Northside Library) as well as the Bookmobile. In an effort to both maximize the available staffing and ensure service across the system, the Department has been working to cross-train staff for assignment among the varying facilities. In this way, the Department will be able to assign staff based on program need and service demands across all facilities.

The total hours of operation across the three sites is currently 88 hours per week. If the Library is to offer additional days of service, the availability of as-needed staffing is essential. Like the Department of Parks and Recreation, the Library has also been actively recruiting and hiring both full-time and as-needed staffing in anticipation of the new fiscal year. However, the nature of Library work will require additional training and time to develop appropriate community programming. It is anticipated that the Library will be able to complete this effort over the summer and be in position to increase service to six days of operation/144 hours per week by early fall. Hours are an overall goal and subject to change due to staffing logistics and operational needs; the hours may vary per location but will be influenced by peak use.

FY 2023/24 and FY 2024/25 Proposed Operating Budget Responses to Questions from the 6/6/23 Budget Study Session

The following chart provides an overview of the proposed implementation plan:

Facility	Current	Fall 2023
Central Park Library	32 hours per week; Mon/Fri/Sat: 10 am – 2 pm Tues/Thurs: 12 pm– 7 pm Wed: 12 pm – 6 pm	All locations: 48 hours per week*; Mon/Wed/Fri/Sat: 10 am – 6 pm Tues/Thurs: 11 am – 7 pm
Northside Branch Library	28 hours per week; Tues/Thurs: 12 pm – 7 pm Wed: 12 pm – 6 pm Fri/Sat: 10 am – 2 pm	
Mission Branch Library	28 hours per week; Mon/Wed: 9 am – 5 pm Tues: 12 pm– 7 pm Thurs: 12 pm – 5 pm	* Hours are subject to change due to staffing logistics and operational needs; the hours may vary per location but will be influenced by peak use.

2. Is there a possibility the City can implement an official volunteer program to allow for additional staffing capacity at the library or senior center?

Response: The City advertises volunteer opportunities within the community, including options for City services (e.g., Santa Clara Senior Center, Santa Clara Youth Activity Center) at <https://www.santaclaraca.gov/i-want-to/get-involved/volunteer/community-volunteer-opportunities>. Interested volunteers can find a volunteer application and liability form on the website. Volunteers work in conjunction with City staff to augment and support services. It is important to note that effective use of volunteers requires proper training, management and oversight by full-time staff. Based on the level of experience of the volunteers, this oversight can be significant. Until the full-time vacancies are filled, extensive use of volunteers will continue to be a challenge.

3. How many positions are budgeted in the Police Department? How many positions are in recruitment? What is the progress for hiring for the Northside Substation and the School Site Officers?

Response: There are a total of 221 positions budgeted in the Police Department. Of this amount, 28 positions are vacant, as of June 6, 2023. Recruitment is underway for several job classifications, including Police Officer (lateral and entry level), Dispatcher, Community Service Officer, Jail Service Officer, Records Specialist, Crime Analyst, and Office Specialist. There are 85 applicants on eligibility lists for these positions. The Department is currently backgrounding 12 applicants for open

FY 2023/24 and FY 2024/25 Proposed Operating Budget Responses to Questions from the 6/6/23 Budget Study Session

positions. These backgrounds are extremely thorough and in full compliance with the State of California Commission on Peace Officer Standards and Training (POST). Backgrounds take between 4-6 months to complete. Due to the pandemic, some of the specialized assignments were diverted to regular patrol. As patrol becomes staffed up, recruitment and hiring has started for various specialized assignments.

The Community Service Officer (CSO) assigned to the Northside Substation and three other vacant CSO positions are approved to hire. With a healthy eligibility list from the Human Resources Department, the Police Department immediately started the background process for the top two CSO candidates. Unfortunately, only one candidate is moving forward, and the department is hopeful to hire that candidate. The Police Department has started reviewing additional candidates to put two more applicants into backgrounds. Please note that the Department has to balance the background load given the numerous classifications in recruitment. The Department anticipates completing the CSO hiring by the end of the calendar year/spring 2024. School Resource Officers (SRO) provide dedicated service to all schools within the city. SROs are unique in that their interactions generally result in punitive results for students. The police department has not had SROs for several years – dating back well before COVID-19. As Police staffing continues to improve, we will look at statistics for uniformed response to schools and determine if it merits bringing back SROs.

- 4. The budget increases the Police Department's vacancy rate based on the ten-year historical average. How are positions budgeted to account for this vacancy rate? What is the contingency should the Police Department hire for every position budgeted for?**

Response: Positions are budgeted based on their full costs (salaries and benefits). Generally, a vacancy factor (typically 3%) is applied to various departments to account for vacancies. For the Police Department, staff analyzed historical vacancy rates over the last decade which averaged over 7% as well as the current vacancy rate to increase the rate for FY 2023/24 and FY 2024/25 from the standard 3% to 7%. This vacancy rate allows for the Police Department to continue to recruit and hire at the same pace as it has been, without any impact to operations. If the Police Department's actual vacancy rate drops below the budgeted level of 7% and the department has a projected budget shortfall, the Finance Department will work with Police Department and the City Manager's Office to determine necessary budget actions (e.g., rebalancing by recognizing savings in other areas, any excess revenues or use of reserves) that will be brought forward for City Council approval.

- 5. What is the update for the DARE program alternative that the Police Department is working with the School District and when would it start?**

Response: While the Department is funded to provide educational programs for fifth grade students that promote healthy and responsible decision-making and builds positive relationships with law enforcement, staff has concluded that the nationally regulated curriculum that has been provided historically is not as effective within our community.

The Police Department is actively pursuing a modern solution that addresses complex social and psychological challenges that drive risky behavior. To accomplish this task, the department plans to contract with a curriculum designer who has experience in creating evidence-based programs. The designer will work with relevant stakeholders (e.g., police officers, school district personnel, mental health professionals, etc.) and best practices in education to gain valuable input to tailor an effective

FY 2023/24 and FY 2024/25 Proposed Operating Budget Responses to Questions from the 6/6/23 Budget Study Session

program to meet the needs of the community. This approach will also provide us with flexibility now and in the future to adjust the curriculum as we see fit.

Once the curriculum has been developed and agreed upon, the curriculum designer will create a "class in a box" that will be used by police officers and pre-determined, professionally trained personnel to present a multi-week program for 5th grade students. The program will be designed to be engaging and interactive, with a focus on developing critical thinking and decision-making skills. The end product will include the course outline, lesson plan, slide deck, handout templates and any other needed materials.

In addition to providing educational content, the program will also focus on building positive relationships between students and law enforcement. A small contingent of our officers and staff will be selected to present the training to students in a positive and supportive way, as well as to serve as positive role models for young people.

The plan is to conduct a pilot program with a select number of SCUSD sites in the Spring of 2024, with an intended district-wide deployment beginning in the 2024/2025 school year.

6. The PAL program currently does not have a director. What does it mean to get the City Attorney's Office involved in this discussion?

Response: The PAL Director position has historically been filled by personnel from the Santa Clara Police Department. While personnel were re-directed during COVID, the vacancy in the PAL Director position has provided the opportunity to re-evaluate how the City might best support the growing administrative functions of PAL as an independent non-profit while maintaining the critical involvement of the Police Department in PAL programs. The City is sensitive to the need to ensure alignment with employment law and administrative requirements. To that end, the City Manager's office is working with the City Attorney's Office to develop an appropriate staffing plan with clear roles and responsibilities that maintains the integrity of law enforcement involvement while aligning to City employment requirements.

7. What happens to the 18 SAFER grant-funded firefighter positions after the three-year grant period ends?

Response: The three-year SAFER grant period ends in March 2026. After the expiration of the grant, there would be a net annual cost estimated at approximately \$0.6 million - \$1 million to continue funding the 18.0 firefighter positions. These positions provide relief staffing when there are absences rather than the use of overtime; however, the associated overtime savings are not sufficient to cover the staff costs. At the end of the grant period, a budget and policy discussion will be necessary to determine if and how many of the positions to continue and how those positions would be staffed. If the positions are continued beyond the grant period, additional funding not currently included in the Forecast will need to be allocated. The decision regarding these positions is expected to be brought forward as part of the FY 2025/26 and FY 2026/27 Proposed Budget process.

8. What are the one-time budget balancing actions in the budget?

Response: There are several one-time proposals recommended in the proposed budget. This includes the one-time reductions to the Fire Department overtime budget due to the three-year SAFER grant. The 18 firefighter positions funded by the grant will provide additional relief to backfill

FY 2023/24 and FY 2024/25 Proposed Operating Budget Responses to Questions from the 6/6/23 Budget Study Session

positions and reduce overtime expenditures. There is also a proposal in the Police Department to recognize one-time savings due to vacancies. For this proposal, staff analyzed a ten-year history of the Police Department's vacancies and adjusted the vacancy factor to align to the historical average vacancy rate. This adjustment still allows for the Police Department to recruit and hire as they have been, without any impact and change to current operations.

9. What is the Human Resources Department doing to attract applicants for City positions? Are there sufficient resources allocated to the Department to complete these tasks?

Response: The Human Resources Department (HR) posts job openings on various platforms including the City's website, LinkedIn, etc. During the pandemic and the initial phase of budget cuts, the City let go of approximately 600 as-needed employees. With this sizable number of separations and the standard staff turnover, HR has a large volume of recruitments that take time. The Department is currently working on recruitments for approximately 115 regular full-time positions, and recruitments for approximately 100 part-time As-Needed (Temporary) positions. To address the increased workload and to ensure normal cycle times, the Department is staggering recruitments, conducting recruitments to fill multiple vacancies, and using recruiting firms for hard to fill management positions. While adding resources would decrease the cycle time, the Department is confident the current staffing level is able to handle the workload but will look into the possibility of adding resources.

10. The Capital Projects Reserve (CPR) balance is \$6.6 million. How do we address the growing infrastructure needs (from \$80 million to \$500 million)?

Response: Historically, the City has funded capital projects on a pay-as-you-go basis, which is not best practice or sustainable. Other cities have dedicated capital funding sources, such as parcel taxes, construction & conveyance taxes, or bonds. As discussed with Council, staff will be providing a study session in the fall on various revenue options. It is important to note that the size of the City's unfunded long-term maintenance and infrastructure needs may require both one-time and on-going revenue options.

As the City completes the year-end budget closeout, staff will identify any additional funding that may be set aside to support the Capital Project Reserve. It is anticipated that this will occur in the November/December 2023 timeframe.

11. What is the process to increase documentary transfer tax as well as bring forward a General Obligation (GO) Bond? Are we able to make sure the way the funds are collected are not regressive and harming most vulnerable communities?

Response: In the fall, staff will bring forward a study session on revenue measure options for consideration on the November 2024 ballot. Options will include both the documentary transfer tax as well as a general obligation bond together with other options such as a sales tax increase and parcel tax, for Council's consideration.

A documentary transfer tax is a tax applied to the transfers of real estate. Currently, the City's documentary transfer tax rate is set at the standard rate established by the California Documentary Transfer Tax Act. Charter cities, such as Santa Clara, can impose additional documentary transfer taxes. Other cities within the County, (such as Mountain View, Palo Alto, and San Jose), have increased their tax rate and have also adopted policies to designate this revenue collection for specific uses (e.g., capital infrastructure).

FY 2023/24 and FY 2024/25 Proposed Operating Budget Responses to Questions from the 6/6/23 Budget Study Session

A general obligation is a bond issued by a local and/or state authority to raise funds for public projects that are in the welfare of the public such as the construction of roads and bridges, public parks, libraries, etc. The bond is guaranteed by both tax revenue and operating revenue.

Both an increase in the documentary transfer tax, as well as the issuance of a general obligation bond, would require voter approval and are typically only considered during a regularly scheduled general election. November 2024 would be the first such opportunity. As part of the 2023 fall study session on revenue measure options, staff will also be seeking approval from the City Council to retain consultant services to help formalize a community input process in advance of any call for an election. This process would be used to help inform the type of projects the revenue would support and the development of appropriate ballot measure language.

Neither the documentary transfer tax nor a GO Bond would be considered regressive taxes (a tax that is applied uniformly regardless of income in which low-and high-income earners pay the same dollar amount).

12. How can we look at the revenue opportunities strategically because we can only bring a couple of options to the public? Some are more or less realistic.

Response: The strategic approach to potential ballot measures will be critical in securing additional resources to meet the City's needs. This will include analyzing the following:

- Prioritization of City needs that can be addressed by potential measures (e.g., capital infrastructure needs)
- Amount of funding that can be generated and the proposed use of those funds/benefit to our community
- Who would pay the taxes/bonds and how would this impact residents/businesses, including the understanding of whether the taxes are regressive or progressive
- Likelihood of voter approval, including the support for different types of capital infrastructure improvements and the potential impact of bringing more than one measure at a time

If the City Council decides to pursue potential ballot measures, the City will retain the services of a consultant to assist with community surveying and outreach to better position the City for success.

13. How is Transient Occupancy Tax (TOT) performing? Has activity recovered from the pandemic impacts?

Response: While TOT collections continue to improve, activity has not yet reached pre-pandemic levels. TOT receipts are tracking at approximately 90% of pre-pandemic levels; however, this is due in part to the TOT rate increase that went into effect in January 2022. Factoring out the rate increase, TOT activity is tracking at approximately 75% of pre-pandemic levels. The reported occupancy rate is currently approximately 67%.

14. There are concerns regarding the Fee Schedule's public facility rentals. When are those fees going to be discussed?

Response: The direction from Council at its April 18th meeting was to have a future session to discuss fees for non-profits and sports leagues. Given the concerns expressed by Council, staff is

FY 2023/24 and FY 2024/25 Proposed Operating Budget Responses to Questions from the 6/6/23 Budget Study Session

recommending that the Department of Parks and Recreation re-engage its third-party consultant to re-evaluate the fees in relation to the Parks Recreation Cost Recovery Policy adopted by the City Council. In doing so, it is recommended that staff conduct additional outreach with affected stakeholders to discuss the goals for the Cost Recovery Policy and develop alternatives to the current fee structure. Given current workload, it is recommended that this work be conducted after the summer season with a goal of reporting the findings and recommendations to the City Council by December 2023/January 2024.

15. With Santa Clara being a growing city, what studies should be done to keep pace with the growth by developing City infrastructures and expanding operations (e.g., increase in City staffing to address growing residential and business needs)?

Response: When there are significant developments, there are studies on the anticipated impacts to infrastructure as well as City services such as public safety, libraries and parks and recreation; the Project Clearance Committee (PCC) reviews each project for compliance with various codes and regulations and the PCC issues conditions of approval to address these impacts. New developments may also require different resources, such as new fire apparatus that meet different needs. The City also has an adopted 2010-2035 General Plan that lays out broad goals and specific policies on land use, community design, circulation, housing, public facilities, open space, recreation, conservation, noise, seismic and safety, and historic preservation. One of the major strategies of the General Plan is to maintain the City's fiscal health and quality services (Chapter 4.6). To continue to maintain the City's fiscal health, the progressive approach for the General Plan provides the framework for measured growth to ensure adequate services and infrastructure.

In addition, various studies are conducted regularly to determine future City infrastructure and assure operational needs are planned for and met. In the utilities, both SVP and Water and Sewer determine the need for future growth and continually plan based upon planning activity and communications with large developers. SVP has a Council-approved growth plan that forecasts future needs that guides resources with anticipated load capacity. Corresponding impact fees were recently updated to fund elements of the SVP growth plan. The Water Utility is developing the One Water Santa Clara–Sustainable Water Supply Master Plan that will provide a roadmap for implementing real world strategies to secure and maintain current and future water supplies while developing new supplies with key programs focused on potable reuse, recycled water and conservation. Additionally, as part of the Master Plan an Asset Management Program will be developed to ensure existing infrastructure replacements support both Water delivery and Sewer conveyance systems. Public Works Department in collaboration with Water & Sewer Utilities is working on Sanitary Sewer Master Plan update to evaluate the capacity of the conveyance system to handle future wastewater flows. The Department of Parks & Recreation is conducting a Parks & Recreation Master Plan and a five-year update of its Facility Condition Assessment. The Library Department has a Library Strategic Plan underway. A water and sewer asset management plan and an update to the Parks infrastructure report conducted in 2017 are also funded and planned.

Lastly, impact fees or the shifting of responsibility to developers under various long-term agreements (Community Facility Districts, Construction & Maintenance Agreements) in the area of parks construction, infrastructure and lifecycle maintenance, traffic, and affordable housing are all geared to offset limited General Funds resources as the City grows. An initial study exploring additional impact fees was completed several years ago which included the potential for impact fees for Fire, a new City Hall, arts, among other areas. The City will continue to evaluate future

**FY 2023/24 and FY 2024/25 Proposed Operating Budget
Responses to Questions from the 6/6/23 Budget Study Session**

studies and impact fees, as well as pursue additional revenue opportunities, to ensure planning and funding is identified to accommodate future City growth.



FY 2023/24 and FY 2024/25
**Proposed Operating
Budget**

Budget-in-Brief



**City of
Santa Clara**
The Center of What's Possible

City of Santa Clara Budget-in-Brief

FY 2023/24 and FY 2024/25

Proposed Biennial Operating Budget



To Our Santa Clara Residents:

The Proposed Biennial Operating Budget for fiscal years (FY) 2023/24 and 2024/25 continues the biennial budget process that alternates between an operating and capital budget. This year's budget focuses on our day-to-day operations that support vital City services. Amendments to the FY 2023/24 capital budget are also included.

As part of the budget deliberation process, two City Council study sessions are scheduled for **May 9, 2023** and **June 6, 2023** before the public hearing and planned budget adoption on **June 27, 2023**.

Over the past few years, there have been significant financial challenges stemming from COVID-19. This necessitated General Fund budget balancing actions starting in FY 2020/21 and continued over the past three years. A combination of strategies has been used to address the budget deficits, including the use of one-time reserves and federal stimulus funds, new revenues, and expenditure reductions. This multi-pronged approach has balanced the competing goals of aligning ongoing revenues and expenditures and minimizing the service delivery impacts to the community. It has also allowed time for General Fund revenues to recover. This strategy has positioned the City well for the FY 2023/24 and FY 2024/25 Proposed Budget that solves a smaller projected General Fund deficit.

The City's financial position has significantly improved since the adoption of the FY 2022/23 budget. The latest Ten-Year General Fund Forecast shows smaller deficits of \$8.0 million and \$8.9 million in FY 2023/24 and FY 2024/25. This is well below the \$27 million deficit projected in June 2022 and reflects stronger revenue growth. While the financial picture is much better, it is important to note that significant economic uncertainty and the risk of a recession persist.

Based on the improved financial position, this budget preserves services with fewer reductions necessary. The expenditure reductions limit direct service impacts, with the goal of stabilizing the services residents access on a regular basis as the organization continues to recover from the COVID-19 service disruptions. As part of this recovery, the City continues to fill vacant positions, which will result in an overall improvement to the services the City provides with the funding included in this budget.



City of Santa Clara Budget-in-Brief

FY 2023/24 and FY 2024/25

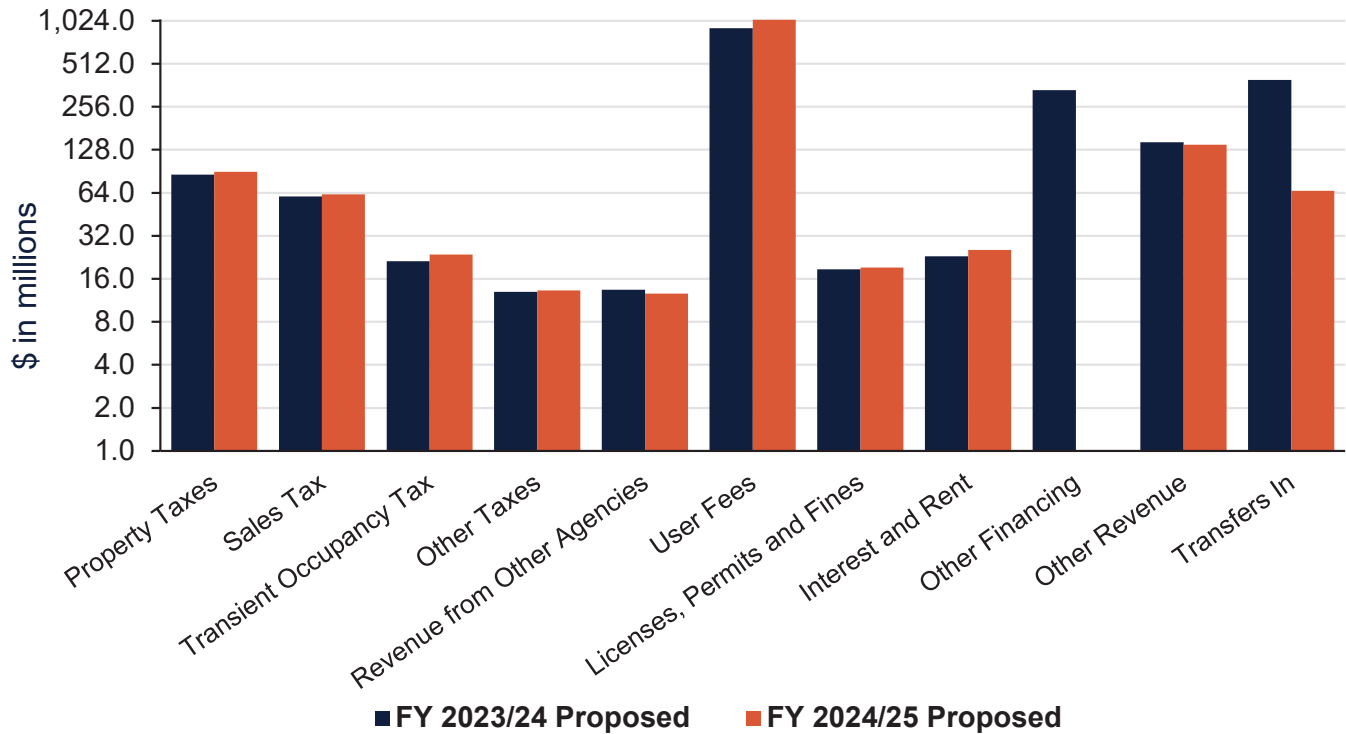
Proposed Biennial Operating Budget



Where the City Gets Its Money

FY 2023/24 and FY 2024/25 Funding Sources

User Fee Detail	FY 2023/24	FY 2024/25
• Electric Utility Fees	\$ 692.6 M	\$ 775.7 M
• Water Utility Fees	65.4 M	71.9 M
• Sewer Utility Fees	42.5 M	46.4 M
• Solid Waste Fees	39.0 M	40.5 M



FY 2023/24 and FY 2024/25 City Expenditure Budget

Fund Type	FY 2022/23 Adopted Budget	FY 2023/24 Proposed Budget	% Change	FY 2024/25 Proposed Budget	% Change
General Fund	\$272,355,355	\$280,773,558	3.1%	\$287,458,968	2.4%
Special Revenue	28,469,289	38,411,889	34.9%	37,111,226	(3.4%)
Enterprise	815,864,620	872,344,414	6.9%	968,035,945	11.0%
Internal Service	42,429,153	38,850,861	(8.4%)	41,629,602	7.2%
Debt/Other	19,846,647	374,983,049	1,789.4%	40,658,134	(89.2%)
Capital Improvement Program*	357,380,666	396,879,114	11.1%	108,385,754	(72.7%)
Less (Contributions, Transfers and Reserves)**	(204,596,482)	(511,297,774)	149.9%	(249,234,561)	(51.3%)
Total Budget	\$1,331,749,248	\$1,490,945,111	12.0%	\$1,234,045,068	(17.2%)

*FY 2022/23 Capital Improvement Program budget includes CIP carryover.

**Excludes contributions, reserves, and transfers to avoid double counting.

City of Santa Clara Budget-in-Brief

FY 2023/24 and FY 2024/25

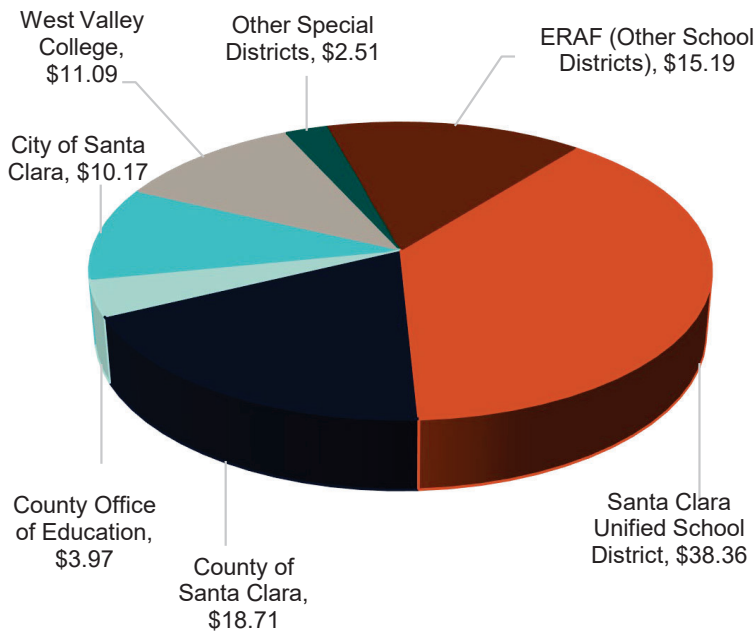
Proposed Biennial Operating Budget



Property Tax

When you pay your property tax bill to the County, the City of Santa Clara General Fund receives \$10.17 for every \$100 collected. The City anticipates receiving \$85.9 million in FY 2023/24 and \$89.6 million in FY 2024/25.

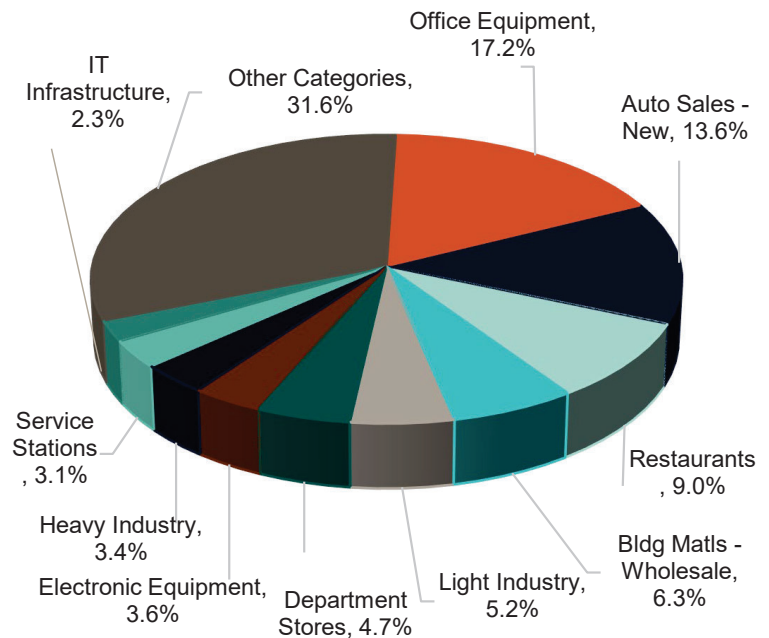
Per \$100 Collected



Sales Tax

Sales tax revenue in the City of Santa Clara comes from multiple sources. Office equipment, new vehicles, restaurants, wholesale building materials, lights, and department stores were the City's leading economic sales categories in the fourth quarter of 2022, making up almost 56% of sales tax collections.

Sales Tax Generators



Where Your Sales Tax Goes

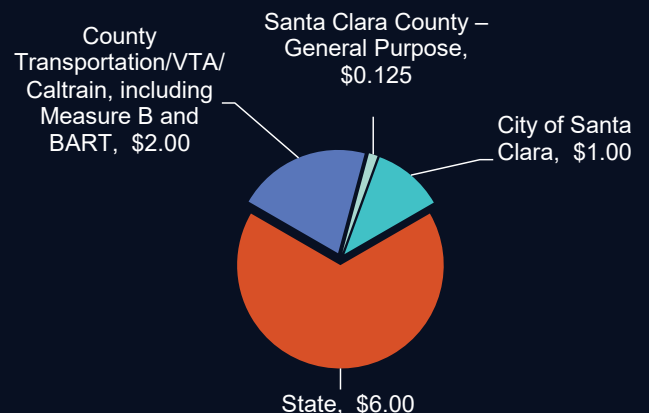
For every dollar you spend in Santa Clara on taxable purchases, you pay **9.125%** in sales tax or **\$9.125** for each **\$100** purchased.

Cities throughout the State receive a portion of the sales tax collected based on sales made within their respective city. For every \$100 purchase you make within the City of Santa Clara, which is subject to sales tax, the City receives \$1.00. The City anticipates receiving \$60.5 million in FY 2023/24 and \$62.4 million in FY 2024/25.

California statewide sales tax rate is 7.25%, of which the City of Santa Clara receives 1.00%. The total countywide sales tax rate 9.125%. Santa Clara County has the following six voter-approved add-on tax measures:

- 0.125% for County Retail Sales Transactions and Use
- 0.125% for VTA BART
- 0.125% for Peninsula Corridor Joint Powers Board (Caltrain)
- 0.500% for Silicon Valley Transportation Solutions Tax
- 0.500% for Santa Clara County Transit District (SCCT)
- 0.500% for Santa Clara County Valley Transportation Authority (SCVT)

Based on Purchase of \$100 Sales Tax Paid is \$9.125



City of Santa Clara Budget-in-Brief

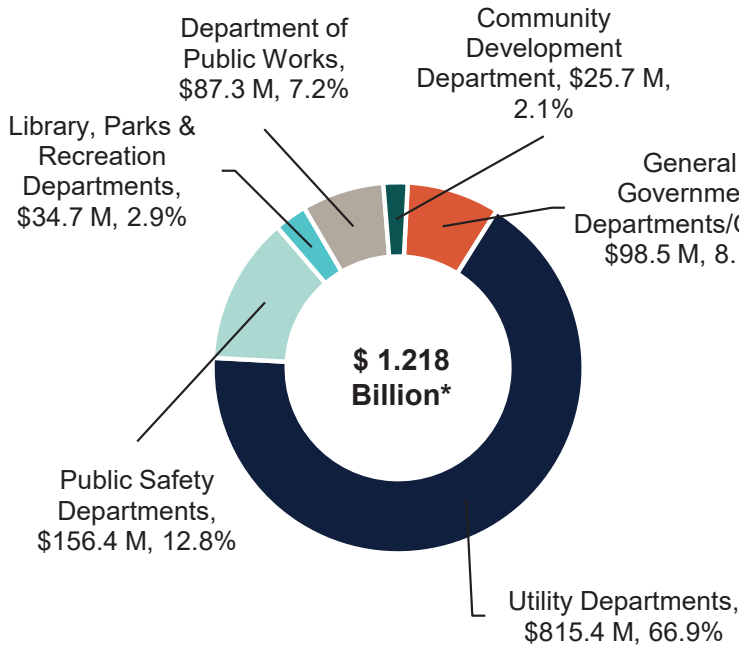
FY 2023/24 and FY 2024/25

Proposed Biennial Operating Budget

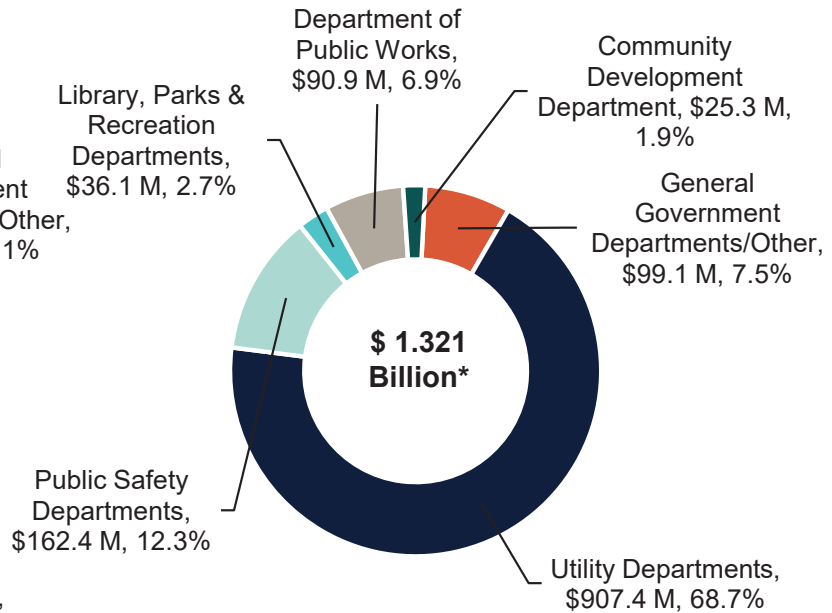


Operating Budget Expenditures by Department *

FY 2023/24 Proposed Budget

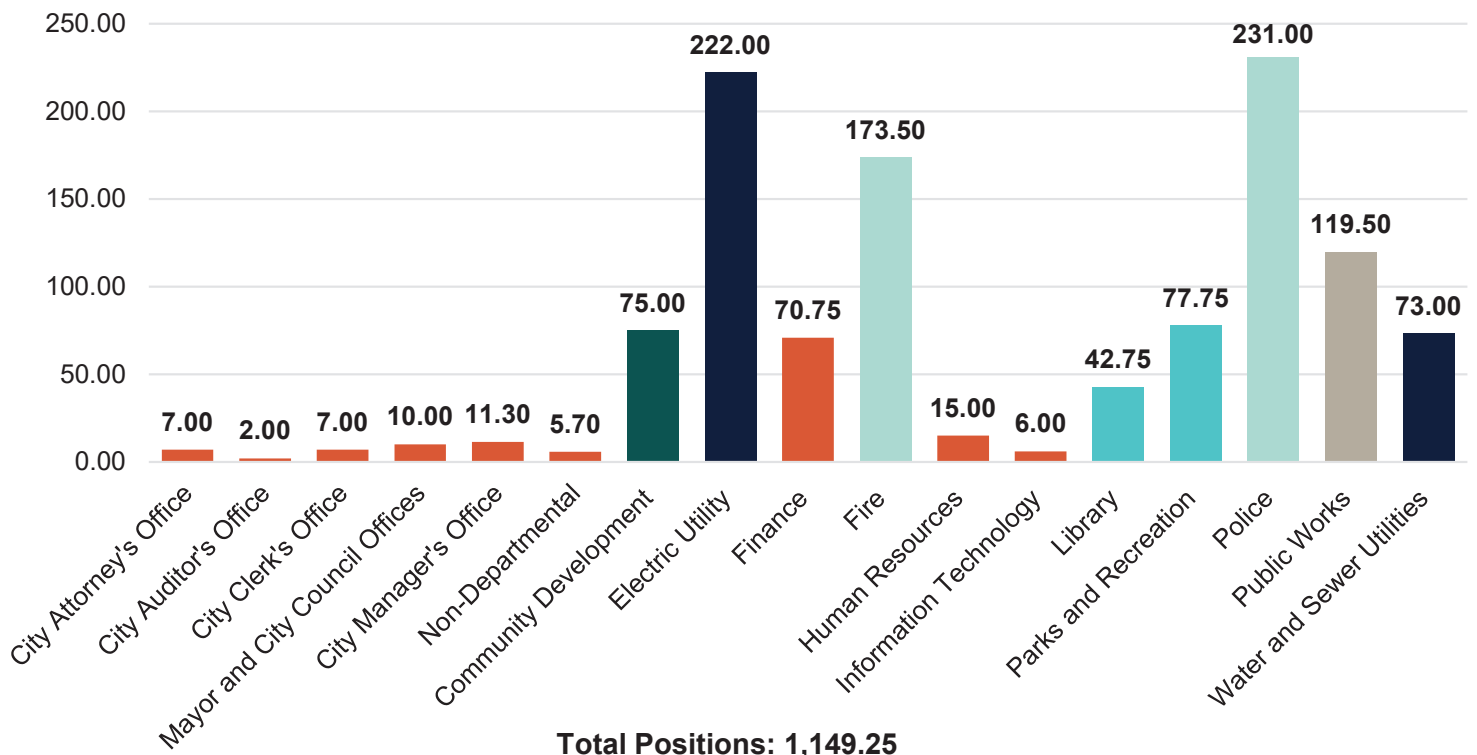


FY 2024/25 Proposed Budget



* Excludes internal service funds not tied to a particular department and debt service.

FY 2023/24 Positions by Department **



** In FY 2024/25, 4.0 positions added to the Community Development Department, for a total position count of 1,153.25.

City of Santa Clara Budget-in-Brief

FY 2023/24 and FY 2024/25

Proposed Biennial Operating Budget



Budget Highlights by Strategic Pillar

Promote and Enhance Economic, Housing and Transportation Development

- The FY 2023/24 budget includes over \$2.0 million of CDBG funds for various public service activities (e.g. family therapy advocacy, educational services, senior adult legal assistance, meals to seniors and adults with disabilities) along with funding for capital projects for affordable housing and public facility improvements. One-time funding from the HOME American Rescue Plan is programmed to provide additional funding for Tenant-Based Rental Assistance and homelessness outreach.
- In FY 2023/24, the Convention Center is projected to have 220 events, with approximately 246,196 in attendance, which reflects over 100% growth in attendance when compared to FY 2022/23 projected attendance.
- Launch and operate a grant-funded on-demand shuttle program with the City of Cupertino.
- Complete several transportation projects, begin work on Vision Zero Study, and continue responding to traffic calming and traffic safety-related public inquiries.

Promote Sustainability and Environmental Protection



- Add Electric Utility funding to support the Large Customer Renewable Energy Program and various initiatives to expedite Greenhouse Gas emission reduction (e.g., new solar installations, and solar combined with electric vehicle (EV) infrastructure for City facilities and neighborhood school locations).
- Optimize the recycled water system and increase supply while focusing on expansion opportunities with regional partners.
- Continue outreach regarding water conservation and overall environmental sustainability.

Manage Strategically Our Workforce Capacity and Resources

- Generate one-time savings from aligning the Police Department's vacancy factor to historical vacancy rates, which will allow for the pace of department hiring to continue as experienced before the pandemic, with no service delivery impacts expected.
- Temporarily reduce the Fire Department's overtime budget as a result of the Department's receipt of the three-year Staffing for Adequate Fire and Emergency Response grant.
- Freeze 3.0 vacant positions in the City Manager's Office, City Attorney's Office, and City Auditor's Office and eliminate 1.0 vacant position in the Human Resources Department.
- Reduce funding for library books and materials; partner with Foundation and Friends to fundraise for materials.



City of Santa Clara Budget-in-Brief

FY 2023/24 and FY 2024/25

Proposed Biennial Operating Budget



Budget Highlights by Strategic Pillar



Deliver and Enhance High-Quality Efficient Services and Infrastructure

- Add positions and other resources in the Community Development Department to support the high volume of development activity funded via development fees.
- Add funding for increased substation maintenance and outage response and repair to ensure reliability of substations in the Electric Utility Department.
- Align resources with expected activity in the City utilities, including adjustments to account for resource and production costs, operating and maintenance costs, and planned debt issuances in FY 2023/24.

Enhance Community Engagement and Transparency

- Library will initiate strategic planning efforts to identify community-based goals for service and align with City Council priorities.
- Community Development Department will continue to engage with the community to inform and involve community members in both long-range and current land use planning activities.
- The FY 2023/24 Stadium Authority Adopted Budget includes funding for the Neighborhood Stadium Relations Committee.

Ensure Compliance with Measure J and Manage Levi's Stadium

- The Stadium Authority's stand-alone Fiscal Year 2023/24 Operating, Debt and Capital Budget was adopted by the Stadium Authority Board on March 7, 2023.
- The \$81.3 million budget provides the necessary funding to administer the duties of the Stadium Authority, including support for operating the Stadium for Non-NFL events through a management company, advancement of the FY 2023/24 work plan, payment of debt service obligations, and maintenance of a five-year capital plan.



Enhance Community Sports and Recreational and Arts Assets

- Rehabilitate and expand park facilities, amenities and playgrounds for all ages and abilities at Warburton Park, Henry Schmidt Park, Westwood Oaks Park playground, Montague Park and Central Park Magical Bridge Playground.
- Acquire, develop and open new buildings at Lawrence Station Area (Nuevo Community Buildings) and a community arts center at Patrick Henry Drive Specific Plan Area.

City of Santa Clara Budget-in-Brief

FY 2023/24 and FY 2024/25

Proposed Biennial Operating Budget



General Fund Budget Balancing Strategy

The budget balancing strategy for FY 2023/24 and FY 2024/25 incorporates a combination of increased revenues, one-time and ongoing expenditure reductions, and use of reserves to address the General Fund shortfall of \$8.0 million in FY 2023/24 and \$8.9 million in FY 2024/25 as shown below. This table also includes an ongoing shortfall figure that reflects the average of the projected shortfalls in years three through five of the Ten-Year General Fund Forecast along with the ongoing balancing actions.

- **Revenue Solutions** - phase in the remaining voter-approved Transient Occupancy Tax increase in FY 2023/24 (1 percent in January 2024) and in FY 2024/25 (1 percent in January 2025), which would increase the rate from 11.5% to 13.5%; incorporate fee adjustments approved by the City Council on April 18, 2023 as part of the adoption of the FY 2023/24 Municipal Fee Schedule.
- **Expenditure Reductions** – one-time expenditure savings in the Fire and Police Departments with no service delivery impacts; other departmental reductions limit direct service impacts, and the 4.0 position reductions are in strategic support areas (City Attorney's Office, City Manager's Office, City Auditor's Office, and the Human Resources Department)
- **Use of Reserves** - uses \$1.1 million of the Budget Balancing Reserve in FY 2023/24 and replenishes the amount in FY 2024/25.

The proposed balancing strategy addresses approximately half of the budget deficit with ongoing solutions. After the biennial budget period, the use of additional budget balancing solutions are expected to be brought forward depending on the fiscal situation at that time.

FY 2023/24 and FY 2024/25 Proposed Biennial Operating Budget General Fund Balancing (\$ in millions)			
	FY 2023/24	FY 2024/25	Ongoing
Forecast Shortfall	(\$8.0 M)	(\$8.9 M)	(\$11.4 M)
Increased Revenues			
– Increase TOT Rate: phased 2%	0.9	1.7	3.4
– Fee Adjustments	0.5	0.8	0.8
– One-Time Revenues	0.2	0.0	0.0
Total Revenue Solutions	1.6	2.5	4.2
Expenditure Reductions			
– Fire SAFER Grant	1.0	3.1	0.0
– Police Vacancy Savings	1.6	1.7	0.0
– Other Departmental Proposals	2.7	2.7	2.0
Total Expenditure Solutions	5.3	7.5	2.0
Use of Reserves			
– Budget Balancing Reserve	1.1	(1.1)	0.0
Use of Reserves	1.1	(1.1)	0.0
Future Unidentified Solutions			5.2
General Fund Balancing Total	\$8.0 M	\$8.9 M	\$11.4 M

City of Santa Clara Budget-in-Brief

FY 2023/24 and FY 2024/25

Proposed Biennial Operating Budget



City Councilmembers

Mayor	Lisa M. Gillmor
Councilmember District 1	Kathy Watanabe
Councilmember District 2	Raj Chahal
Councilmember District 3	Karen Hardy
Councilmember District 4	Kevin Park
Councilmember District 5	Sudhanshu Jain
Councilmember District 6	Anthony J. Becker

City Department Contact Information

City Attorney's Office	(408) 615-2230
City Clerk's Office	(408) 615-2220
City Manager's Office	(408) 615-2210
Community Development Department	
Building Division	(408) 615-2440
Permit Center	(408) 615-2420
Planning Division	(408) 615-2450
Housing & Community Services	(408) 615-2490
Electric Utility Department	(408) 615-2300
Finance Department	(408) 615-2340
Fire Department	(408) 615-4900
Human Resources Department	(408) 615-2080
Information Technology Department	(408) 615-2022
Library Department	(408) 615-2900
Parks & Recreation Department	(408) 615-2260
Police Department	(408) 615-4700
Department of Public Works	
Engineering Office	(408) 615-3000
Corporation Yard	(408) 615-3080
Water & Sewer Utilities Department	(408) 615-2000



The Budget-in-Brief is intended to provide an overview of the City of Santa Clara's FY 2023/24 and FY 2024/25 Proposed Biennial Operating Budget. The complete budget document can be accessed on the Finance Department's website at: SantaClaraCA.gov/Finance

Questions about this report should be directed to:

City of Santa Clara - Finance Department
1500 Warburton Avenue
Santa Clara, CA 95050
(408) 615-2340



Table 1:

FY 2023/24 and FY 2024/25 Proposed Budget			
Fund Type	FY 2022/23 Adopted Budget	FY 2023/24 Proposed Budget	FY 2024/25 Proposed Budget
General Fund	\$272,355,355	\$281,795,558	\$287,458,968
Special Revenue Funds	28,469,289	48,639,709	37,111,226
Enterprise Funds	815,864,620	872,344,414	968,035,945
Internal Service Funds	42,429,153	39,606,414	41,304,602
Debt/Other	19,846,647	374,983,049	40,658,134
Less (Transfers, Contributions, and Reserves)*	(203,142,482)	(515,319,491)	(247,455,561)
Subtotal Operating Budget	\$975,822,582	\$1,102,049,653	\$1,127,113,314
Capital Funds	\$357,380,666	\$657,486,151	\$108,385,754
Less (Transfers, Contributions, and Reserves)*	(1,454,000)	(3,188,205)	(1,454,000)
Subtotal Capital Budget	\$355,926,666	\$654,297,946	\$106,931,754
Total Budget	\$1,331,749,248	\$1,756,347,599	\$1,234,045,068

* Adjusts for transfers, contributions, and reserves to avoid double counting of the same funds (e.g., internal service funds are excluded)



Table 2:

FY 2023/24 and FY 2024/25 Biennial Operating Budget General Fund Balancing (\$ in millions)			
	FY 2023/24	FY 2024/25	Ongoing
Forecast Shortfall	(\$8.0 M)	(\$8.9 M)	(\$11.4 M)
Increased Revenues			
- Increase TOT Rate (phased 2%)	0.9	1.7	3.4
- Fee Adjustments	0.5	0.8	0.8
- One-Time Revenues	0.2	0.0	0.0
Total Revenue Solutions	1.6	2.5	4.2
Expenditure Reductions			
- Fire SAFER Grant	1.0	3.1	0.0
- Police Vacancy Savings	1.6	1.7	0.0
- Other Departmental Proposals	2.7	2.7	2.0
Total Expenditure Solutions	5.3	7.5	2.0
Use of Reserves			
- Budget Balancing Reserve	1.1	(1.1)	0.0
Total Use of Reserves	1.1	(1.1)	0.0
Future Unidentified Solutions			5.2
General Fund Balancing Total	\$8.0 M	\$8.9 M	\$11.4 M



Agenda Report

23-519

Agenda Date: 6/27/2023

REPORT TO COUNCIL

SUBJECT

Action Establishing the City's Fiscal Year 2023/24 Appropriations Limit of \$628,493,798 Pursuant to Article XIIIB of the California State Constitution.

COUNCIL PILLAR

Enhance Community Engagement and Transparency

BACKGROUND

Annually, the City of Santa Clara (City) is required to calculate the expenditure appropriation limit from tax proceeds to determine compliance with Propositions 4 (Gann Initiative) and 111 (Spending Limitation Act of 1990). On November 6, 1979, the California electorate passed Proposition 4, which created Article XIIIB of the State Constitution placing limits on the amount of revenue that can be spent by governmental agencies. This constitutional amendment, also known as the Gann Initiative, placed limits on the growth of expenditures for publicly funded programs by restricting the amount of revenue that the City can appropriate in any fiscal year. Not all revenues are restricted by the limit, only those that are categorized as proceeds of taxes.

The City's limit has been based on actual appropriations during FY 1978/79, increased annually by an adjustment factor. On June 5, 1990, the California electorate approved Proposition 111, which modified the method of adjusting the annual appropriations limit. Beginning with the FY 1990/91 appropriations limit, the City may choose from the following indices when arriving at an adjustment factor:

1. The annual growth in the City's population or the annual growth in the County's population as provided by the State Department of Finance; and
2. The annual growth in the California Per Capita Income or the growth in the non-residential assessed valuation due to new construction within the City.

DISCUSSION

The City is responsible for dividing citywide revenues between tax and non-tax revenue and applying the formula to the cumulative appropriation limit. For FY 2023/24, the appropriations limit was computed using the annual population growth of the City of Santa Clara (1.54%) and the annual growth in the California Per Capita Income (4.44%). Applying these adjustment factors, the appropriations limit for the City of Santa Clara in FY 2023/24 is \$628,493,798 (Schedule 1). As a result, this calculation limits the City from receiving more than \$628,493,798 in tax-based revenues in FY 2023/24. An analysis of the revenues generated from tax proceeds minus any exempted expenditures (such as debt service, capital outlay and federal mandates) resulted in total revenue subject to the appropriation limit of \$217,487,082 or 34.6% of the limit. The City's appropriations subject to the limit are \$411,006,716 below the FY 2023/24 appropriations limit. Therefore, the City is

in compliance with Article XIII B of the California Constitution.

Schedule 1 provides the history of the City's appropriations limits as adopted by the Council for FY 2014/15 through FY 2022/23 and the appropriations limit recommended for adoption for FY 2023/24.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to section 15378(b)(4) of Title 14 of the California Code of Regulations in that it is a fiscal activity that does not involve commitment to a specific project which may result in potential significant impacts on the environment.

FISCAL IMPACT

There is no fiscal impact to this report. By adopting the Resolution establishing the appropriations limit for FY 2023/24 the City will be in compliance with Propositions 4 and 111.

COORDINATION

This report has been coordinated with the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Adopt a Resolution Establishing the City's Fiscal Year 2023/24 Appropriations Limit of \$628,493,798 Pursuant to Article XIII B of the California State Constitution.

Reviewed by: Kenn Lee, Director of Finance

Approved by: Jōvan D. Grogan, City Manager

ATTACHMENTS

1. Schedule 1
2. Resolution for Appropriations Limit

Schedule 1

City of Santa Clara
Proposition 4 Appropriations Limit
FY 2014/15 Through 2023/24

Fiscal Year	Beginning Appropriations Limit	Price Factor	Population Factor	Adjustment Factor	Ending Appropriations Limit	Revenue Subject to Appropriations	% of Appropriation Limit
	(1)	(2)	(3)	(4) = (2) X (3)	(5) = (1) X (4)	(6)	(6) / (5)
2023/24	592,639,131	1.0444	1.0154	1.0605	628,493,798	217,487,082	34.60%
2022/23	546,765,505	1.0755	1.0078	1.0839	592,639,131	185,230,550	31.26%
2021/22	503,467,316	1.0573	1.0271	1.0860	546,765,505	174,200,673	31.86%
2020/21	478,945,316	1.0373	1.0134	1.0512	503,467,316	177,031,551	35.16%
2019/20	459,684,534	1.0385	1.0033	1.0419	478,945,316	184,097,298	38.44%
2018/19	429,451,171	1.0367	1.0325	1.0704	459,684,534	175,246,540	38.12%
2017/18	410,840,550	1.0369	1.0081	1.0453	429,451,171	160,838,861	37.45%
2016/17	363,345,984	1.1108	1.0179	1.1307	410,840,550	156,954,895	38.20%
2015/16	341,156,650	1.0531	1.0113	1.0650	363,345,984	133,461,118	36.73%
2014/15	327,531,346	1.0262	1.0150	1.0416	341,156,650	123,316,251	36.15%

On June 5, 1990, the California electorate passed Proposition 111 which modified the method of adjusting the annual appropriations limit. Beginning with the 1990/91 Appropriations Limit, the City may choose from one of the following indices when determining the adjustment factor:

The annual growth in the City's population *or* the annual growth in the County's population as provided by the State Department of Finance.

and

The annual growth in the California Per Capita Income *or* the growth in the non-residential assessed valuation due to new construction within the City.

The 1990/91 Appropriations Limit was revised by applying the new growth factors to the appropriations limits for 1986/87 and each subsequent year. In computing the FY 2023/24 Appropriations Limit, the population growth of the City of Santa Clara and the annual growth in California Per Capita Income was used.

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA
ESTABLISHING FISCAL YEAR 2023/24 APPROPRIATIONS LIMIT
PURSUANT TO ARTICLE XIIIB OF THE CALIFORNIA STATE
CONSTITUTION AS IMPLEMENTED BY TITLE 1, DIVISION 9
(ENTITLED "EXPENDITURE LIMITATIONS" – SECTION 7900 ET
SEQ.) OF THE CALIFORNIA GOVERNMENT CODE**

WHEREAS, Proposition 4, commonly known as the Gann Initiative, was adopted by voters on November 6, 1979;

WHEREAS, the Proposition created Article XIIIB of the California State Constitution placing limits on the amount of revenue which can be spent by all public entities;

WHEREAS, the limit based on the Proposition 4 formula is updated annually using growth data supplied by the State Department of Finance; and,

WHEREAS, the appropriation limit is required to be adopted by the governing body of each public entity.

**NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF
SANTA CLARA AS FOLLOWS:**

1. Appropriations Limit. The appropriations limit for fiscal year 2023/24 is Six Hundred Twenty-Eight Million Four Hundred Ninety-Three Thousand Seven Hundred and Ninety-Eight Dollars (\$628,493,798).
2. Calculation Factors. Pursuant to Section 8 of Article XIIIB of the California Constitution, for fiscal year 2023/24 the change in the cost of living shall be measured by the percentage change in California per capita personal income or the growth in the non-residential assessed valuation due to new construction within the City of Santa Clara and the change in population shall be measured by the annual growth in the County of Santa Clara or the City of Santa Clara's population as provided by the State Department of Finance, whichever is higher.
3. Factors for 2023/24. For purposes of computing the appropriations limit for fiscal year 2023/24, the annual growth in the California Per Capita Income is 4.44% and the annual percent

change in City of Santa Clara's population as provided by the State Department of Finance is 1.54%.

4. Notice of Action to be Taken. Pursuant to Government Code Section 7910, no judicial action or proceeding to attack, review, set aside, void, or annul the action of the City Council in establishing the appropriations limit for fiscal year 2023/24 shall be brought unless such action or proceeding shall have been commenced within forty-five (45) days of the date of adoption of this resolution.

5. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 27th DAY OF JUNE, 2023, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: _____
NORA PIMENTEL, MMC
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference: None



Agenda Report

23-819

Agenda Date: 6/27/2023

REPORT TO CITY COUNCIL

SUBJECT

Public Hearing: Action on Amendment to the City of Santa Clara General Plan-Re-Adoption of the 2023-2031 Housing Element with Revisions

COUNCIL PILLAR

Promote and Enhance Economic, Housing and Transportation Development

BACKGROUND

The Housing Element, one of the required elements of the City's General Plan, includes policies and programs intended to help the City meet the housing needs of all current and future Santa Clara residents. State law requires that local jurisdictions update their Housing Element every eight years and that the Housing Element be reviewed by the State Department of Housing and Community Development (HCD). Housing Elements are then certified by HCD if found to be in substantial compliance with State Housing law.

For Bay Area towns, cities, and counties, the statutory due date for submittal of an adopted Housing Element, covering the years 2023-2031 (6th housing cycle), was January 31, 2023. Consistent with this deadline, on January 31, 2023, the City Council adopted Santa Clara's 2023-2031 (6th Cycle) Housing Element and submitted it to HCD for their 60-day review. On March 28, 2023, the City received HCD's findings/comment letter (Attachment 1). HCD determined that the City's Adopted Housing Element addresses many statutory requirements but identified additional revisions that in their view were necessary for HCD to certify the City's Housing Element as fully compliant with State Housing Element law. Staff met with HCD on April 20, 2023 to discuss those comments and on June 2, 2023 to discuss staff's draft revisions to the adopted Housing Element to address those comments.

State leadership continues to identify efforts to address the State's housing crisis as a top priority for both legislative and administrative efforts. As a result, the State has significantly increased the requirements placed upon each jurisdiction as they update their local Housing Elements and added more stringent State oversight for the review and approval of each Housing Element.

The lack of a certified Housing Element can reduce the ability of a local jurisdiction to regulate new housing development and reduce access to State funds for as long as the jurisdiction remains out of compliance.

City staff has been diligently working with HCD and the City's consultant (MIG, Inc.) to complete revisions necessary to receive HCD's certification.

State (HCD) Review

On March 28, 2023, the City received HCD's findings/comment letter (Attachment 1) on the City's Adopted Housing Element. HCD identified revisions necessary to receive HCD's certification of compliance in the following areas:

- A. Housing Needs, Resources, and Constraints
- B. Housing Programs
- D. Quantified Objectives
- E. Public Participation
- F. Consistency with General Plan

The draft Housing Element prepared for re-adoption addresses the topics raised by HCD as discussed in the Planning Commission staff report (Attachment #3).

DISCUSSION

The Planning Commission hearing on this item took place on June 14, 2023 (continued from May 24, 2023). Staff provided a presentation (Attachment 2) highlighting the changes made to the Housing Element in response to comments from HCD, including:

- additional programs in the Housing Plan that will help to provide a variety of housing types through a streamlined, by-right process;
- deletion of a number of occupied sites proposed in the first draft that may be unlikely to convert to housing during the 6th cycle;
- added sites along the El Camino Real to maintain an adequate buffer for the sites inventory; and
- more in-depth analysis of how the Housing Element complies with the requirement to Affirmatively Further Fair Housing (AFFH), with data showing that more than 80% of the City's proposed sites are in High or the Highest Resource areas of the City.

The Commission commended staff on the additional work on the Housing Element and asked how the impacts to transportation had been analyzed for the new sites along El Camino, and whether the Valley Transportation Authority (VTA) had been coordinated with regarding additional bus service. Staff responded that the impacts of the land use changes to El Camino Real were analyzed in the 2010 General Plan EIR, and that the proposed rezoning of these sites would result in residential densities consistent with that analysis. Staff also confirmed that the City had coordinated with VTA during the 2010 General Plan Update process, and that VTA would continue to be a partner in the City's ongoing work on the El Camino Real Specific Plan.

Two members of the Carpenters' Union spoke in favor of adding a policy to the Housing Element to promote hiring local labor, hiring from or contributing to apprenticeship programs, and providing a living wage. The two representatives added that apprenticeship programs, including programs for Veterans, can pull people out of poverty, and that the Carpenters' Union offers health care benefits to their members.

Commissioner Biagini made a motion (Bouza seconding) to recommend City Council adoption of the updated Housing Element, with the addition of policy language to the Housing Element to encourage developers and contractors to evaluate hiring local labor, hiring from or contributing to apprenticeship programs, increasing resources for labor compliance, and providing a living wage. The Commission voted unanimously (7-0-0) in favor the motion. The Planning Commission recommendation was

added as Alternative 2 to this report. Alternative 3 was added to provide more specificity than Alternative 2 regarding the City's involvement with developers and contractors in their decision to utilize local labor and associated programs.

ENVIRONMENTAL REVIEW

The City prepared an Addendum to the 2010-2035 General Plan Environmental Impact Report (Attachment 6) for the 6th Cycle (2023-2031) Housing Element, which concluded that there is no substantial change to the General Plan that would require major revisions to the previous EIR; that there is no substantial change in circumstances as a result of modifications to the General Plan that would cause new or substantially more severe significant impacts; and, that there is no new information of substantial importance that identifies new or more intense significant impacts than those identified in the General Plan EIR.

At their public hearing on January 26, 2023, the Planning Commission adopted Resolution No. 23-004 recommending the City Council adopt the Addendum to the General Plan EIR, for adoption of the 6th Cycle Housing Element.

With the adoption of Resolution No. 23-9188 (Attachment 4) at a public hearing on January 31, 2023, the City Council approved the Addendum to the General Plan EIR for adoption of the 6th Cycle Housing Element. Although the proposed action is to make additional revisions to the Housing Element and General Plan, there are no new policies proposed that would generate new or substantially more significant environmental impacts; moreover, the revised inventory identifies slightly fewer sites than in the January element, and so any impacts are likely to be slightly reduced. As such, the General Plan EIR and Addendum remain sufficient for the environmental analysis of the proposed Housing Element.

FISCAL IMPACT

There is no fiscal impact associated with this report. On January 25, 2022, the City Council approved a consultant agreement with MIG, Inc. to update the City's Housing Element and accepted \$499,150 in reimbursable grant funding from the State's Local Early Action Planning (LEAP) grant program. Of this grant funding, \$289,868 will be used to fund MIGs work and the remaining \$209,282 will be used to fund City staff expenses. All grant funds must be expended on or before December 31, 2023.

Adoption of the Housing Element, as drafted, includes new and revised City programs to implement the Housing Element goals and policies in conformance with State requirements. The potential implementation of these programs will require future City Council review, including and analysis of their potential fiscal impacts.

COORDINATION

This report was coordinated with the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Commission agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov

[<mailto:clerk@santaclaraca.gov>](mailto:clerk@santaclaraca.gov) or at the public information desk at any City of Santa Clara public library.

On April 20, 2023, pursuant to Government Code Section 65352(a), the City mailed referral letters to tribes and outside agencies advising them of the City's intent to take action on a General Plan Amendment to adopt revisions to the 2023-2031 Housing Element. The referral letters also included notice of the proposed Planning Commission and City Council hearings.

On May 10, 2023, pursuant to Government Code Sections 65353 and 65355, a notice of public hearing was published in *The Weekly*, a newspaper of general circulation, regarding the Planning Commission and City Council public hearings.

On May 18, 2023, a GovDelivery bulletin was emailed to the City's 1,875 Housing Element Update topic subscribers to let them know of the continuance of the Planning Commission and City Council hearings from May 24, 2023 and June 6, 2023, respectively, with the updated hearing schedule (also posted on the Housing Element Update page).

On June 7, 2023, a GovDelivery bulletin was emailed to the City's 1,899 Housing Element Update topic subscribers to let them know the availability of the draft revisions to the Adopted Housing Element on the Housing Element Update page.

ALTERNATIVES

1. Adopt a Resolution to amend the General Plan by re-adopting the Housing Element for the 2023-2031 Cycle.
2. Adopt a Resolution to amend the General Plan by re-adopting the Housing Element for the 2023-2031 Cycle with the incorporation of language in the Housing Element to encourage developers and contractors to evaluate hiring local labor, hiring from or contributing to apprenticeship programs and providing a living wage.
3. Adopt a Resolution to amend the General Plan by re-adopting the Housing Element for the 2023-2031 Cycle with the incorporation of language in the Housing Element to engage with developers regarding the benefits of hiring local labor, hiring from or contributing to apprenticeship programs, increasing resources for labor compliance, and providing living wages.

RECOMMENDATION

Alternative: 1

1. Adopt a Resolution to amend the General Plan by re-adopting the Housing Element for the 2023-2031 Cycle.

Reviewed by: Andrew Crabtree, Director of Community Development

Approved by: Jövan Grogan, City Manager

ATTACHMENTS

1. HCD Findings/Comment Letter on Adopted Housing Element
2. Planning Commission Presentation
3. Planning Commission Staff Report
4. Resolution No. 23-9188

5. Revisions to Adopted Housing Element (clean)
6. Revisions to Adopted Housing Element (redlined)
7. HCD Comments/Response Matrix
8. Summary of Proposed Amendments to the Housing Element
9. Addendum
10. General Plan Amendment Resolution

**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



March 28, 2023

Andrew Crabtree, Director
Community Development Department
City of Santa Clara
1500 Warburton Clara
Santa Clara, CA 95050

Dear Andrew Crabtree:

RE: City of Santa Clara's 6th Cycle (2023-2031) Adopted Housing Element

Thank you for submitting the City of Santa Clara's (City) housing element that was adopted on January 31, 2023 and received for review on February 1, 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. In addition, HCD considered comments from Housing Action Coalition pursuant to Government Code section 65585, subdivision (c).

The adopted element addresses some statutory requirements; however, revisions will be necessary to substantially comply with State Housing Element Law (Article 10.6 of the Gov. Code). The enclosed Appendix describes the revisions needed to comply with State Housing Element Law.

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), if a local government fails to adopt a compliant housing element within 120 days of the statutory deadline (January 31, 2023), then any rezoning to make prior identified sites available or accommodate the regional housing needs allocation (RHNA) shall be completed no later than one year from the statutory deadline pursuant to Government Code sections 65583, subdivision (c) and 65583.2, subdivision (c). Otherwise, the local government's housing element will no longer comply with State Housing Element Law, and HCD may revoke its finding of substantial compliance pursuant to Government Code section 65585, subdivision (i). Please be aware, if the City fails to adopt a compliant housing element within one year from the statutory deadline, the element cannot be found in substantial compliance until these rezones are completed.

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.

For your information, some general plan element updates are triggered by housing element adoption. HCD reminds the City to consider timing provisions and welcomes the opportunity to provide assistance. For information, please see the Technical Advisories issued by the Governor's Office of Planning and Research at:

<https://www.opr.ca.gov/planning/general-plan/guidelines.html>.

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 Jose Armando Jauregui, of our staff, at jose.jauregui@hcd.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul McDougall", with a stylized flourish at the end.

Paul McDougall
Senior Program Manager

Enclosure

APPENDIX CITY OF SANTA CLARA

The following changes are necessary to bring the City's housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change, we cite the supporting section of the Government Code.

Housing element technical assistance information is available on HCD's website at <https://www.hcd.ca.gov/planning-and-community-development/hcd-memos>. Among other resources, the housing element section contains HCD's latest technical assistance tool, *Building Blocks for Effective Housing Elements (Building Blocks)*, available at <https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks> and includes the Government Code addressing State Housing Element Law and other resources.

A. Housing Needs, Resources, and Constraints

1. *Affirmatively further[ing] fair housing in accordance with Chapter 15 (commencing with Section 8899.50) of Division 1 of Title 2...shall include an assessment of fair housing in the jurisdiction. (Gov. Code, § 65583, subd. (c)(10)(A).)*

Local Data and Knowledge and Other Relevant Factors: The element generally was not revised to address this requirement. The element must include local data, knowledge, and other relevant factors to discuss and analyze any unique attributes about the City related to fair housing issues. The element should complement federal, state, and regional data with local data and knowledge where appropriate to capture emerging trends and issues, including utilizing knowledge from local and regional advocates and service providers. Please see HCD's prior review for additional information.

Identified Sites and Affirmatively Furthering Fair Housing (AFFH): While the element generally identifies the number of units in the northeast region, it generally does not address this requirement. A full analysis should address the identified sites, including pipeline project, to accommodate the regional housing need allocation (RHNA) with respect to location (e.g., neighborhoods, planning areas, census tracts), the number of sites and units by all income groups and how that affects the existing patterns for all components of the assessment of fair housing (e.g., segregation and integration, access to opportunity). The element should also discuss whether the distribution of sites improves or exacerbates conditions such as isolating the RHNA by income group or not dispersing the RHNA by income throughout the City. If sites exacerbate conditions, the element should identify further program actions that will be taken to promote equitable quality of life throughout the community (e.g., housing mobility, new opportunities in higher resource or income areas, anti-displacement, and place-based community revitalization strategies).

Contributing Factors to Fair Housing Issues: Based on a complete analysis, the element should re-assess and prioritize contributing factors to fair housing issues.

2. *Include an analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected needs for all income levels, including extremely low-income households. (Gov. Code, § 65583, subd. (a)(1).)*

Analyze any special housing needs such as elderly; persons with disabilities, including a developmental disability; large families; farmworkers; families with female heads of households; and families and persons in need of emergency shelter. (Gov. Code, § 65583, subd. (a)(7).)

Include an analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding, and housing stock condition. (Gov. Code, § 65583, subd. (a)(2).)

Extremely Low-Income (ELI) Households: The element now generally describes the effectiveness of strategies, and the magnitude of the housing need for ELI housing needs. However, as noted in the prior review, the element should analyze the housing needs of ELI households, including tenure and overpayment, and add or modify programs as appropriate. This is particularly important given the disproportionate housing needs of ELI households.

Special Housing Needs: The element was revised with minimal analysis on special housing needs, it must include additional analysis to address the finding. For a complete analysis of each population group, the element should discuss challenges faced by the population, the existing resources to meet those needs (availability senior housing units, number of large units, number of deed restricted units, etc.), an assessment of any gaps in resources, and proposed policies, programs, and funding to help address those gaps.

In addition, while the element now quantifies persons with disability by type, it still must quantify elderly households by tenure and permanent and seasonal farmworkers using USDA agricultural census data.

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. (Gov. Code, § 65583, subd. (a)(3).)*

Progress in Meeting the RHNA: The element now demonstrates the anticipated affordability of approved, under construction and proposed developments through mechanisms such as affordable housing agreements and mentions approved projects are anticipated to be completed on or after June 30, 2022. However, the element must still address the availability of approved and proposed projects in the planning period and should include a program to monitor availability and take alternative action, if necessary, especially given the noted uncertainty associated with proposed projects (p. 13.6-5). Please see HCDs prior review for additional information.

In addition, the element was not revised to address the realistic capacity of the large several specific plans that were identified. As noted in HCDs prior review, the element

should discuss planned built out horizons, necessary steps to make sites available and any impediments to the availability of sites for development in the planning period.

Parcel Inventory: The element was revised to add the general plan designation of identified sites but should still describe existing uses as noted in the prior review. Specifically, the description of existing use is generic and must include sufficient detail to facilitate an analysis of the potential for addition development on nonvacant sites. For example, many sites describe existing uses as commercial or industrial. Instead, the inventory could describe the existing use through factors such as age and condition of the existing structure expressed developer interest, low improvement to land value ratio, and other relevant factors.

Suitability of Nonvacant Sites: The element generally was not revised to address this requirement and demonstrate the potential for redevelopment of nonvacant sites. Further, the element should respond to the various site suitability issues described by comments received as part of this review. Please see HCD's prior review for additional information.

In addition, as noted in the prior review, if the housing element relies upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households, the housing element must demonstrate that the existing use is not an impediment to additional residential development in the planning period. (Gov. Code, § 65583.2, subd. (g)(2).) Absent findings (e.g., adoption resolution) based on substantial evidence, the existing uses will be presumed to impede additional residential development and will not be utilized toward demonstrating adequate sites to accommodate the RHNA. Based on a cursory review, the City's current Resolution Number 23-9189 does not appear to make the appropriate findings to demonstrate uses will likely discontinue in the planning period and any future re-adoption must address this requirement, if necessary.

Availability of Infrastructure: The element discusses infrastructure management plans and indicates infrastructure capacity is not a constraint on development but should also clearly state whether there is sufficient existing or planned total capacity to accommodate the RHNA. In addition, the element states the City has specific procedures to grant priority for water and sewer service to developments with units affordable to lower-income households, but then explains if a provision is not part of the regulatory framework the City will commit to adopting a procedure within the next year with no program provided. The element should clearly state whether a written procedure is available and, if not, add a program to establish a procedure by a specified date.

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. While the City has submitted an electronic sites inventory, if any changes occur, the City should submit the revised inventory to HCD as part of any future re-adoption submittal.

Zoning for a Variety of Housing Types (Emergency Shelters): The element now clarifies emergency shelters are currently permitted in the ML (Light Industrial) zone and are proposed to be permitted in several zones. However, the element was not revised to address HCD's prior finding regarding various requirements such as non-discretionary

review, suitability of sites, development standards and constraints. Please see HCD's prior review for additional information.

In addition, please be aware Chapter 654, Statutes of 2022 (AB 2339), adds specificity on how cities and counties plan for emergency shelters and ensure sufficient and suitable capacity. Future submittals of the housing element may need to address these statutory requirements. For additional information and timing requirements, please see HCD's memo at <https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/ab2339-notice.pdf>.

4. *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, and local processing and permit procedures... (Gov. Code, § 65583, subd. (a)(5).)*

Land Use Controls: The element was generally not revised to address HCDs prior findings regarding heights and lot coverages as constraints. Please see HCD's prior review for additional information.

In addition, Action 3 (Affordable Housing Incentives and Facilitation) and Action 9 (Zoning Ordinance) should go beyond reviewing parking standards and make specific commitment to reduce or revise parking requirements and ensure parking requirements do not constrain development.

Fees and Exaction: While the element now quantifies the fees for a large multifamily development, it was not revised to address this finding of listing all pertinent fees as part of the cumulative fees analysis. Please see HCD's prior review for additional information.

Local Processing and Permit Procedures: The element now explains objective standards are used to demonstrate compliance with approval findings for architectural review. However, the element was not revised to address findings regarding the City's planned development (PD) process. While the element now includes Action 9 (Zoning Ordinance) to reduce reliance on the PD process, it should include an analysis as described in HCD's prior review to better formulate the appropriate programmatic response. Please see HCD's prior review for additional information.

Housing for Persons with Disabilities (Reasonable Accommodation): The element now discusses the City's obligation to provide reasonable accommodation in zoning and land use but otherwise, provides no analysis to address HCD's findings. For example, the element does not list or evaluate approval findings. Please see HCD's prior review for additional information.

Inclusionary Housing: While the element describes the broader inclusionary housing policy framework, it must also provide an analysis on the relationship between the inclusionary requirement and State Density Bonus Law (SDBL). For example, the element should

describe how meeting the inclusionary requirement may be used toward eligibility for benefits under SDBL.

In addition, housing element outreach conduct identified that the 100 percent area median income affordability requirement was no longer feasible for residents. In response, the City commits to “assessing the feasibility” in Action 2 (Affordable Housing Ordinance). The City should go above “assessing feasibility” of the current affordable housing ordinance and make specific commitments to also revise the City affordability requirements after the feasibility study has been conducted and include annual outreach as parts of this efforts.

5. *Analyze existing assisted housing developments that are eligible to change to non-low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of use restrictions. (Gov. Code, § 65583, subd. (a)(9) through 65583(a)(9)(D)).*

HCDs prior review found the element should evaluate the risk of conversion; estimate and compare total costs; identify public and private non-profits. In response, the City adds cost comparison of units at-risk; however, the City still must include analysis on the risk of conversion and identify qualified entities.

In addition, Action 5 (Preservation of Assisted Rental Housing) now includes general commitment to work with property owners “when possible”. However, the Action should make specific commitments to monitor at-risk units annually, coordinate with qualified entities annually, prioritize available funding to assist property owners and tenants at risk of conversion.

B. Housing Programs

1. *Include 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... (Gov. Code, § 65583, subd. (c)).*

Programs must demonstrate that they will have a beneficial impact within the planning period. Beneficial impact means specific commitment to deliverables, measurable metrics or objectives, definitive deadlines, dates, or benchmarks for implementation. Deliverables should occur early in the planning period to ensure actual housing outcomes. However, the following programs must be revised to include specific commitments and definitive timeline as follows:

- *Action 1 (Provision of a Variety of Housing Types):* The City should commit to identifying housing opportunities and pursuing funds at least annually to support ELI households and persons with disabilities.

- *Action 3 (Affordable Housing Incentives and Facilitation)*: The Program was revised to include timing; however, language such as “explore “should be removed or modified with commitment to actual housing outcomes.
 - *Action 4 (Maintenance of Housing Stock)*: The Program now commits to conducting outreach to determine interest and feasibility but should include subsequent actions toward actual housing outcomes such as funding activities.
 - *Action 11 (Impact Fees)*: Timelines identified should be revised to reflect implementation during the eight-year planning period.
 - *Action 15 (Homeownership for First-Time Buyers)*: The Program should add discrete timing for action implementation for outcomes (e.g., 2025).
 - *Action 16 (Fair Housing programs)*: Action items identified should be revised to include timelines.
2. *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 Government Code 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. (Gov. Code, § 65583, subd. (c)(1).)*

As noted in Finding A3, 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.

In addition, the element includes Actions 1 (Variety of Housing Types) and 9 (Zoning Ordinance) to amend zoning to allow a variety of housing types, including SROs, employee housing, emergency shelters, low barrier navigation centers and by-right permanent supportive housing. However, the element should be revised to include at least parameters or certainty for the outcome of these commitments such as comply with state law citing government code or describing requirements (e.g., permit without discretionary action). In addition, the actions should commit to amending zoning for emergency shelters as described on page 13.5-10 and remove ambiguous and non-committal language such as “as necessary”.

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. (Gov. Code, § 65583, subd. (c)(3).)*

As noted in Finding A4, the element requires a complete analysis of potential governmental constraints. Depending upon the results of that analysis, the City may need to revise or add programs and address and remove or mitigate any identified constraints.

In addition, Action 9 (Zoning Ordinance) was not revised to address all HCDs prior findings. Specifically, the City now acknowledges group homes of seven or more; however, it must commit to amend zoning for a variety of housing types in Action 1 by a specific date and clarify that zoning and permit procedures will be amended to permit these housing types in all zones allowing residential use with objective standards to facilitate approval certainty similar to other residential uses.

4. *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).)*

As noted in Finding A1, the element must include a complete analysis of AFFH. Based on the outcomes of that analysis, the element must add or modify programs. Additionally, the element included Table 13.3-20 (p. 13.3-72) identifying AFFH actions the City could take to address fair housing issues. For example, the Table notes the City could increase housing choice voucher (HCV) mobility and acquire properties for affordable housing. However, beyond promoting HCVs and exploring property acquisitions, the actions do not include specific commitments to addressing fair housing issues. Goals and actions must specifically respond to the analysis and to the identified and prioritized contributing factors to fair housing issues and must be significant and meaningful enough to overcome identified patterns and trends. Actions must have specific commitment, metrics, milestones, and geographic targeting and, as appropriate, must address housing mobility enhancement, new housing choices and affordability in higher opportunity and income areas, concentrated areas of affluence and place-based strategies toward community revitalization and displacement protection.

5. *Develop a plan that incentivizes and promotes the creation of accessory dwelling units that can be offered at affordable rent, as defined in Section 50053 of the Health and Safety Code, for very low, low-, or moderate-income households. For purposes of this paragraph, “accessory dwelling units” has the same meaning as “accessory dwelling unit” as defined in paragraph (4) of subdivision (i) of Section 65852.2. (Gov. Code, § 65583, subd. (c)(7).)*

Action 1 (Provision of a Variety of Housing Types) now commits to establish incentives to promote accessory dwelling units (ADU) as well as monitoring the production of ADUs. However, the Action should also monitor affordability, specify when a plan will be presented to the City Council and specify when an alternative strategy will be implemented (e.g., within six months). In addition, the Action should clarify that rezoning may be necessary as part of alternative actions.

D. Quantified Objectives

Establish the number of housing units, by income level, that can be constructed, rehabilitated, and conserved over a five-year time frame. (Gov. Code, § 65583, subd. (b)(1 & 2).)

The element was revised to include minimal ELI objectives added for rehabilitation and conservation while also reducing overall conservation and rehabilitation objectives. The City must revise overall conservation and rehabilitation objectives to target meaningful outcomes in the planning period. As noted in HCD's previous review, conservation units should not be limited to only units at-risk and should include other activities the City has undertaken to rehabilitate and conserve housing. Please see HCD's prior review for additional information.

E. Public Participation

Local governments shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the Housing Element, and the element shall describe this effort. (Gov. Code, § 65583, subd.(c)(9).)

While the City made effort to include the public through workshops and surveys, and summarized public comments received and identified how public concerns were addressed. However, HCD received comments on this review that should be addressed, including considering and incorporating comments as appropriate. Example of issues include errantly listing small sites as aggregated sites, calculations of residential capacity and existing uses that impeded additional development in the planning period.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the City should continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available and 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.

F. Consistency with General Plan

The Housing Element shall describe the means by which consistency will be achieved with other general plan elements and community goals. (Gov. Code, § 65583, subd. (c)(7).)

While the element states it has been prepared to maintain internal consistency, it still should discuss how consistency will be maintained throughout the entire planning period. For example, the element could describe internal consistency will be maintained as part of the annual progress report pursuant to Government Code section 65400 or as general plan amendments occur.



Planning Commission

Item #

**RTC 23-602 Adoption of a
General Plan Amendment
for the Housing Element
Update**

June 14, 2023

1



**City of
Santa Clara**
The Center of What's Possible

Housing Element

Background

- One of required elements of General Plan
- Updated every 8 years. Reviewed by HCD and certified if found to be in substantial compliance
- Prior 5th Cycle Housing Element: adopted December 9, 2014; certified by HCD February 13, 2015; ended January 31, 2023
- City Council Adopted 6th Cycle Housing Element January 31, 2023
- HCD 60-day review
- March 28, 2023, the City received HCD's findings/comment letter

2

2



Housing Element

HCD Findings (March 28, 2023)

HCD identified revisions necessary to receive HCD's certification of compliance in the following areas:

- A. Housing Needs, Resources, and Constraints
- B. Housing Programs
- C. Quantified Objectives
- D. Public Participation
- E. Consistency with General Plan

3

3



Housing Element

Re-Adoption / Certification Process

- April 20, 2023 – staff met with HCD staff to review comments
- April-June – Staff and consultants prepared revised Housing Element
- June 2, 2023 – staff met with HCD staff to review City's response
- June 14, 2023 – Planning Commission hearing
- June 27, 2023 – City Council adoption hearing
- July-August – HCD Review

4

4



Housing Element

Sites to Meet the RHNA (Sites Inventory)

- HCD asked City to respond to public comments received on proposed Sites to meet the City's Regional Housing Needs Assessment (RHNA)
- Public comments focused on likelihood of residential use of properties within Specific Plan areas within Housing Element timeframe
- Staff response includes:
 - additional information (e.g., communication with property owners to verify their willingness to redevelop) and
 - additional possible sites

5

5



Housing Element

Sites to Meet the RHNA (Sites Inventory)

Site/Credit Type	VLI	LI	Mod.	Above Mod.	Total Capacity
RHNA	2,872	1,653	1,981	5,126	11,632
Pending & Approved Projects	668	746	512	10,218	12,144
ADU Projection	118	118	118	39	393
Available Specific Plan Sites	2,105	1,561	1,883	314	5,863
El Camino Real Rezoning Sites	497	378	366	-	1,242
Total	3,388	2,803	2,879	10,571	19,642
Surplus Units	516	1,150	898	5,445	8,010
Surplus (% Above RHNA)	18%	70%	45%	106%	69%

6

6



Housing Element

Sites to Meet the RHNA (Sites Inventory)

Site	VLI	LI	Mod.	Above Mod.	Total Capacity
Pending & Approved Projects (Total)	668	746	512	10,218	12,144
Tasman East SP	111	234	179	3,842	4,366
Patrick Henry Drive SP	76	75	75	1,294	1,520
Lawrence Station Area Plan	-	5	57	635	697
Freedom Circle Focus Area	54	54	54	913	1,075
Other	427	378	147	3,534	4,486

7

7



Housing Element

Sites to Meet the RHNA (Sites Inventory)

Site	VLI	LI	Mod.	Above Mod.	Total Capacity
Available Specific Plan Sites (Total)	2,105	1,561	1,883	314	5,863
Tasman East Focus Area SP	214	156	458	295	1,123
Patrick Henry Drive SP	1,747	1,299	1,299	-	4,345
Lawrence Station Area Plan	144	106	126	19	395

8

8



Housing Element

Affirmatively Furthering Fair Housing (AFFH)

- Additional data, analysis and conclusions related to the housing condition of various demographic groups including Race/Ethnicity, Persons with Disabilities, and Overcrowded Households
- Expanded geographic analysis of the location of lower income households throughout the City
 - 82% of housing growth in Highest or High Resources Areas
 - 101% of Very Low Income units in High or Highest Resource Areas
 - 147% of Low Income units in High or Highest Resource Areas

9

9



Housing Element

Housing Needs

- Additional data and analysis on:
 - Households experiencing a rent cost-burden
 - Challenges facing special needs populations such as the elderly
 - Services available to the homeless

1
0

10



Housing Element

Constraints

- Additional data, clarifications and analysis on constraints related to:
 - Infrastructure limitations that could affect new housing development
 - Zoning code sections that will be changed to streamline the development of emergency shelters
 - City's land use entitlement procedures

11

11



Housing Element

Housing Resources

- Additional information to provide:
 - Verification of the City's pipeline housing production data
 - Clarification of the City's methodology to calculate residential capacity

1
2

12



Housing Element

Housing Plan

- Revised to reflect the additional analysis of data and local knowledge and discussion added to other chapters
- Addition of follow-up monitoring and data collection activities and planned changes to the Zoning Ordinance and other ongoing activities
 - For example: create an inventory and track the condition of Naturally Occurring Affordable Housing (NOAH) housing units
- Housing Plan actions and objectives revised to strengthen City's commitment within more defined timelines

1
3

13



Housing Element

California Environmental Quality Act (CEQA)

Addendum to the 2010-2035 General Plan Environmental Impact Report for the 6th Cycle (2023-2031) Housing Element, which concluded:

- no substantial change to the General Plan that would require major revisions to the previous EIR
- no substantial change in circumstances as a result of modifications to the General Plan that would cause new or substantially more severe significant impacts
- no new information of substantial importance that identifies new or more intense significant impacts than those identified in the General Plan EIR

1
4

14



**City of
Santa Clara**
The Center of What's Possible

Housing Element

Recommendation

Adopt a Resolution to Recommend the City Council Amend the General Plan by Re-Adopting the 2023-2031 Housing Element with revisions incorporated to address HCD comments

1
5

15



Planning Commission

Item #

**RTC 23-602 Adoption of a
General Plan Amendment
for the Housing Element
Update**

June 14, 2023

16



Agenda Report

23-602

Agenda Date: 6/14/2023

REPORT TO PLANNING COMMISSION

SUBJECT

Amendment to the City of Santa Clara General Plan and Re-Adoption of the 2023-2031 Housing Element with Revisions

COUNCIL PILLAR

Promote and Enhance Economic, Housing and Transportation Development

BACKGROUND

The Housing Element, one of the required elements of the City's General Plan, includes policies and programs intended to help the City meet the housing needs of all current and future Santa Clara residents. State law requires that local jurisdictions update their Housing Element every eight years and that the Housing Element be reviewed by the State Department of Housing and Community Development (HCD). Housing Elements are then certified by HCD if found to be in substantial compliance with State Housing law.

For Bay Area towns, cities, and counties, the statutory due date for submittal of an adopted Housing Element, covering the years 2023-2031 (6th housing cycle), was January 31, 2023. Consistent with this deadline, on January 31, 2023, the City Council adopted Santa Clara's 2023-2031 (6th Cycle) Housing Element and submitted it to HCD for their 60-day review. On March 28, 2023, the City received HCD's findings/comment letter (Attachment 1). HCD determined that the City's Adopted Housing Element addresses many statutory requirements but identified additional revisions that in their view were necessary for HCD to certify the City's Housing Element as fully compliant with State Housing Element law. Staff met with HCD on April 20, 2023 to discuss those comments and on June 2, 2023 to discuss staff's draft revisions to the adopted Housing Element to address those comments.

State leadership continues to identify efforts to address the State's housing crisis as a top priority for both legislative and administrative efforts. As a result, the State has significantly increased the requirements placed upon each jurisdiction as they update their local Housing Elements and added more stringent State oversight for the review and approval of each Housing Element.

As of June 1, 2023, only 21 jurisdictions in the 109 jurisdiction Association of Bay Area Governments (ABAG) region have an adopted 6th Cycle housing element that has been found by HCD to be in compliance with State Housing Element law (i.e., certified). In Santa Clara County, 10 of 16 jurisdictions, including Santa Clara, have submitted adopted housing elements to HCD. Of those adopted housing elements, four are under review by HCD (Gilroy, Los Altos, Los Altos Hills, Saratoga). For three others, HCD reviewed the elements and then requested additional revisions (Monte Sereno, Morgan Hill, Santa Clara). HCD found another three to be in compliance (Campbell, Milpitas, Mountain View).

Not having a certified Housing Element can negatively impact a local jurisdiction's discretion to regulate new housing development and reduce access to State funds for as long as the jurisdiction lacks certification.

City staff is diligently working with HCD and the City's consultant (MIG, Inc.) to complete revisions necessary to receive HCD's certification.

State (HCD) Review

On March 28, 2023, the City received HCD's findings/comment letter (Attachment 1) on the City's Adopted Housing Element. HCD identified revisions necessary to receive HCD's certification of compliance in the following areas:

- A. Housing Needs, Resources, and Constraints
- B. Housing Programs
- D. Quantified Objectives
- E. Public Participation
- F. Consistency with General Plan

DISCUSSION

Staff is now bringing forward a revised draft of the City's General Plan Housing Element for Planning Commission recommendation prior to City Council action. Planning Commission and City Council hearings are required for an Amendment to the City's General Plan. These hearings allow the Planning Commission and City Council to review the proposed changes to the Housing Element made in response to the HCD findings/comment letter.

To facilitate review of the revisions to the Adopted Housing Element to address HCD's comments, the Planning Commission, City Council, and HCD will be provided with a clean and redlined version of the Revised Housing Element (Attachments 2 and 3), a matrix showing each HCD comment and the City's responses/revisions (Attachment 4), as well as a summary of proposed amendments (Attachment 5) organized by Housing Element chapter/appendix with references to HCD's numbered comments.

Attachment 4 provides a detailed list of the City's responses/revisions to HCD's comments on the adopted Housing Element organized by the above topic areas. HCD's comments from their March 28, 2023 letter are listed in the left column and the City's response/revisions are summarized in the right column of the matrix. In cases where HCD's current comments reference their earlier comment letter, notes in brackets have been added with the date of the earlier comment letter and the referenced comment number (e.g., [11/18/22 B.1.c]).

The redlined version of the Revised Housing Element (Attachment 3) shows all proposed changes to the adopted Housing Element.

The following is a discussion of several key revisions between the adopted and draft revised Housing Element, including changes to the Sites to Meet the RHNA (Sites Inventory), revisions to policies to Affirmatively Further Fair Housing (AFFH), and revisions to the Housing Needs, Constraints, Housing Resources, and Housing Plan sections. Notably these sections include several new work program activities for the City to undertake as follow-up actions to the Housing Element certification.

Sites to Meet the RHNA (Sites Inventory)

HCD asked the City to respond to public comments received on the proposed Sites to meet the City's Regional Housing Needs Assessment (RHNA). The public comments focused on the likelihood of redevelopment for residential use of several properties located within the City's recently adopted Specific Plan areas within the timeframe of the current Housing Element cycle. The staff response includes additional information (e.g., communication with property owners to verify their willingness to redevelop for residential use) as well as the identification of additional possible sites that could be used to meet the City's RHNA. In some cases, the projected residential densities for specific parcels were recalculated based upon recent actual development data.

The two tables below show the sites identified to meet the City's RHNA as adopted and revised, with the proposed revisions listed below to address HCD comments regarding the sites inventory - progress in meeting the RHNA (A.3.a), realistic capacity (A.3.b), and suitability of nonvacant sites to accommodate lower income RHNA (A.3.d/e).

Sites to Meet the RHNA - As Adopted in the Housing Element (January 31, 2023)

Site/Credit Type	Units in Affordability Category				Total Capacity
	VLI	LI	Mod.	Above Mo	
RHNA	2,872	1,653	1,981	5,126	11,632
Pending & Approved Projects	389	361	857	10,339	11,946
<i>Tasman East SP</i>	-	-	531	3,919	4,459
<i>Patrick Henry Drive SP</i>	75	75	75	1,288	1,516
<i>Lawrence Station Area Plan</i>	-	5	57	635	697
<i>Freedom Circle Focus Area</i>	54	54	54	914	1,075
<i>Other</i>	261	228	141	3,569	4,199
ADU Projection	102	102	102	34	340
Available Specific Plan Sites	2,888	2,143	2,465	314	7,810
<i>Tasman East Focus Area SP</i>	214	156	458	295	1,123
<i>Patrick Henry Drive SP</i>	1,829	1,360	1,360	-	4,549
<i>Lawrence Station Area Plan</i>	845	627	647	19	2,138
				-	
Total	3,379	2,606	3,424	10,687	22,096
<i>Surplus Units</i>	507	953	1,443	5,561	10,464
<i>Surplus (% Above RHNA)</i>	18%	58%	73%	108%	73%

During the public review process, the City received a number of comments regarding the suitability of certain parcels in the Tasman East Specific Plan, Patrick Henry Drive Specific Plan, and Lawrence Station Area Plan. For some of these sites, the City is providing additional evidence in support of site suitability in the adoption resolution; for some other sites, the City has removed them from the revised sites inventory (see Chapter 6 Housing Resources, Realistic Capacity and Suitability of Non-Vacant Sites section). To address this reduction in the capacity of sites, to accommodate sufficient VLI units to meet the RHNA with an adequate buffer, other sites currently designated for residential development in the City's General Plan along the El Camino Real corridor were added to the sites

inventory. For these sites to qualify, they will be rezoned as part of the Zoning Code Update to facilitate development aligned with their current General Plan designations. Additionally, pursuant to the Housing Element statutes, any sites added to the inventory along El Camino Real that were listed in both of the last two housing elements will be required to provide a minimum of 20% of the dwelling units at affordable levels.

The changes described below are summarized in Attachment 5, captured in the revised Appendix B Sites Inventory and will be included in a revised Electronic Sites Inventory to be submitted to HCD as part of the re-adoption submittal.

Sites to Meet the RHNA - As Revised / Proposed for Adoption

Site/Credit Type	Units in Affordability Category				Total Capacity
	VLI	LI	Mod.	Above Mo	
RHNA	2,872	1,653	1,981	5,126	11,632
Pending & Approved Projects	668	746	512	10,218	12,144
<i>Tasman East SP</i>	<i>111</i>	<i>234</i>	<i>179</i>	<i>3,842</i>	<i>4,366</i>
<i>Patrick Henry Drive SP</i>	<i>76</i>	<i>75</i>	<i>75</i>	<i>1,294</i>	<i>1,520</i>
<i>Lawrence Station Area Plan</i>	<i>-</i>	<i>5</i>	<i>57</i>	<i>635</i>	<i>697</i>
<i>Freedom Circle Focus Area</i>	<i>54</i>	<i>54</i>	<i>54</i>	<i>913</i>	<i>1,075</i>
<i>Other</i>	<i>427</i>	<i>378</i>	<i>147</i>	<i>3,534</i>	<i>4,486</i>
ADU Projection	118	118	118	39	393
Available Specific Plan Sites	2,105	1,561	1,883	314	5,863
<i>Tasman East Focus Area SP</i>	<i>214</i>	<i>156</i>	<i>458</i>	<i>295</i>	<i>1,123</i>
<i>Patrick Henry Drive SP</i>	<i>1,747</i>	<i>1,299</i>	<i>1,299</i>	<i>-</i>	<i>4,345</i>
<i>Lawrence Station Area Plan</i>	<i>144</i>	<i>106</i>	<i>126</i>	<i>19</i>	<i>395</i>
El Camino Real Rezoning Sites	497	378	366	-	1,242
Total	3,388	2,803	2,879	10,571	19,642
<i>Surplus Units</i>	<i>516</i>	<i>1,150</i>	<i>898</i>	<i>5,445</i>	<i>8,010</i>
<i>Surplus (% Above RHNA)</i>	<i>18%</i>	<i>70%</i>	<i>45%</i>	<i>106%</i>	<i>69%</i>

The above table, which tabulates the total number of housing units in the City's Sites Inventory after making the changes summarized in Attachment 5, demonstrates that there is sufficient capacity to accommodate the City's RHNA with an adequate buffer (15-30% recommended) at all income levels.

Affirmatively Furthering Fair Housing (AFFH)

Chapter 3 AFFH includes substantial revisions and re-organization, summarized in Attachment 5, to address the identified HCD AFFH related comments. Generally, HCD was requesting that the City provide additional data if possible and analysis and conclusions related to the housing condition of various demographic groups within Santa Clara. This included information on Race/Ethnicity, Persons with Disabilities, Overcrowded Households and expanded geographic analysis of the location of lower income households throughout the City.

HCD also commented that the City should demonstrate how units are distributed based on the HCD/Tax Credit Allocation Committee (TCAC) Opportunity Map Areas (Highest, High, Moderate, Low Resource Areas). AFFH goals and best practices place housing units in areas of amenities and opportunity, such as High and Highest Resource Areas. A new section of the draft Housing Element includes AFFH analysis of the sites inventory. This analysis calls out that 82% of housing growth in Santa Clara will be in the City's Highest or High Resources Areas with 101% of the City's Very Low Income units (over 100% because the City has more units than Very Low Income required from the RHNA) in the High or Highest Resource Areas and 147% of Low Income units in High or Highest Resource areas.

Housing Needs

Chapter 4 Housing Needs was revised to include additional data and analysis to address the HCD housing needs related comments such as data on households experiencing a rent cost-burden, challenges facing special needs populations such as the elderly, and additional information about services available to the homeless.

Constraints

Chapter 5 was revised to include additional data, clarifications, and analysis to address the HCD constraints related comments, such as infrastructure limitations that could affect new housing development, zoning code sections that will be changed to streamline the development of emergency shelters and clarification of the City's land use entitlement procedures.

Housing Resources

Chapter 6, Housing Resources, was revised in response to the following HCD comments seeking verification of the City's pipeline housing production data and clarification of the City's methodology to calculate residential capacity.

Housing Plan

Chapter 2, Housing Plan, was revised to reflect the additional analysis of data and local knowledge and discussion added to other chapters (Chapter 3, AFFH, Chapter 4 Housing Needs, Chapter 5 Constraints, and Chapter 6 Housing Resources). Chapter 2 was also revised to address HCD's Housing Plan related comments. These revisions include the addition of several follow-up monitoring and data collection activities to be undertaken by the City, as well as planned changes to the Zoning Ordinance and other ongoing activities. For example, the City is being asked to create an inventory and track the condition of Naturally Occurring Affordable Housing (NOAH) housing units, which are units not covered by a legal agreement to restrict their affordability, but which are rented on the market at rates comparable to an affordable project because of the conditions of the property.

HCD's comment letter also stated the City should demonstrate that programs will have a beneficial impact within the Housing Element cycle. The Housing Plan actions and objectives were revised to strengthen the City's commitment to accomplishing those programs within more defined timelines.

ENVIRONMENTAL REVIEW

The City prepared an Addendum to the 2010-2035 General Plan Environmental Impact Report (Attachment 6) for the 6th Cycle (2023-2031) Housing Element, which concluded that there is no substantial change to the General Plan that would require major revisions to the previous EIR; that there is no substantial change in circumstances as a result of modifications to the General Plan that would cause new or substantially more severe significant impacts; and, that there is no new

information of substantial importance that identifies new or more intense significant impacts than those identified in the General Plan EIR.

At their public hearing on January 26, 2023, the Planning Commission adopted Resolution No. 23-004 recommending the City Council adopt the Addendum to the General Plan EIR, for adoption of the 6th Cycle Housing Element.

With the adoption of Resolution No. 23-9188 (Attachment 7) at a public hearing on January 31, 2023, the City Council approved the Addendum to the General Plan EIR for adoption of the 6th Cycle Housing Element. Although the proposed action is to make additional revisions to the Housing Element and General Plan, there are no new policies proposed that would generate new or substantially more significant environmental impacts; moreover, the revised inventory identifies slightly fewer sites than in the January element, and so any impacts are likely to be slightly reduced. As such, the General Plan EIR and Addendum remain sufficient for the environmental analysis of the proposed Housing Element.

FISCAL IMPACT

There is no fiscal impact associated with this report. On January 25, 2022, the City Council approved a consultant agreement with MIG, Inc. to update the City's Housing Element and accepted \$499,150 in reimbursable grant funding from the State's Local Early Action Planning (LEAP) grant program. Of this grant funding, \$289,868 will be used to fund MIG's work and the remaining \$209,282 will be used to fund City staff expenses. All grant funds must be expended on or before December 31, 2023.

Adoption of the Housing Element, as drafted, includes new and revised City programs to implement the Housing Element goals and policies in conformance with State requirements. The potential implementation of these programs will require future City Council review, including and analysis of their potential fiscal impacts.

COORDINATION

This report was coordinated with the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Commission agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

On April 20, 2023, pursuant to Government Code Section 65352(a), the City mailed referral letters to tribes and outside agencies advising them of the City's intent to take action on a General Plan Amendment to adopt revisions to the 2023-2031 Housing Element. The referral letters also included notice of the proposed Planning Commission and City Council hearings.

On May 10, 2023, pursuant to Govern Code Sections 65353 and 65355, a notice of public hearing was published in *The Weekly*, a newspaper of general circulation, regarding the Planning

Commission and City Council public hearings.

On May 18, 2023, a GovDelivery bulletin was emailed to the City's 1,875 Housing Element Update topic subscribers to let them know of the continuance of the Planning Commission and City Council hearings from May 24, 2023 and June 6, 2023, respectively, with the updated hearing schedule (also posted on the Housing Element Update page).

On June 7, 2023, a GovDelivery bulletin was emailed to the City's 1,899 Housing Element Update topic subscribers to let them know the availability of the draft revisions to the Adopted Housing Element on the Housing Element Update page.

ALTERNATIVES

1. Adopt a Resolution to Recommend the City Council Amend the General Plan by Re-Adopting the 2023-2031 Housing Element with revisions incorporated to address HCD comments
2. Adopt a Resolution to Recommend the City Council Amend the General Plan by Re-Adopting the 2023-2031 Housing Element with revisions incorporated to address HCD comments, with additional revisions

RECOMMENDATION

Alternative: 1

1. Adopt a Resolution to Recommend the City Council Amend the General Plan by Re-Adopting the 2023-2031 Housing Element with revisions incorporated to address HCD comments

Reviewed by: Andrew Crabtree, Director, Community Development

Approved by: Jōvan D. Grogan, City Manager

ATTACHMENTS

1. HCD Findings/Comment Letter on Adopted Housing Element
2. Revisions to Adopted Housing Element (clean)
3. Revisions to Adopted Housing Element (redlined)
4. HCD Comments/Response Matrix
5. Summary of Proposed Amendments to the Housing Element
6. Addendum
7. City Council Addendum Resolution
8. Planning Commission Resolution

RESOLUTION NO. 23-9188

A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA, TO ADOPT AN ADDENDUM TO THE GENERAL PLAN ENVIRONMENTAL IMPACT REPORT, FOR ADOPTION OF THE 6TH CYCLE HOUSING ELEMENT (2023-2031)

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, the California legislature has found that “California has a housing supply and affordability crisis of historic proportions. The consequences of failing to effectively and aggressively confront this crisis are hurting millions of Californians, robbing future generations of the chance to call California home, stifling economic opportunities for workers and businesses, worsening poverty and homelessness, and undermining the state’s environmental and climate objectives.” (Gov. Code Section 65589.5.); and

WHEREAS, the legislature has further found that “Among the consequences of those actions are discrimination against low-income and minority households, lack of housing to support employment growth, imbalance in jobs and housing, reduced mobility, urban sprawl, excessive commuting, and air quality deterioration.” (Gov. Code Section 65589.5.); and

WHEREAS, the legislature recently adopted the Housing Crisis Act of 2019 (SB 330) which states that “In 2018, California ranked 49th out of the 50 states in housing units per capita... California needs an estimated 180,000 additional homes annually to keep up with population growth, and the Governor has called for 3.5 million new homes to be built over 7 years”; and

WHEREAS, State Housing Element Law (Government Code Sections 65580 et seq.) requires that the City Council adopt a Housing Element for the eight-year period 2023-2031 to accommodate the City of Santa Clara (City) regional housing need allocation (RHNA) of 11,632 housing units, comprised of 2,872 very-low income units, 1,653 low-income units, 1,981 moderate-income units, and 5,126 above moderate-income units; and

WHEREAS, to comply with State Housing Element Law, the City of Santa Clara has prepared its Housing Element Update for the years 2023-2031 (the Housing Element); and

WHEREAS, as provided in Government Code Section 65350 et. seq., the Housing Element constitutes a General Plan Amendment; and

WHEREAS, the Project approvals will include a resolution approving the Addendum to the General Plan EIR; and a resolution approving the General Plan Amendment (collectively, the “Approvals”);

WHEREAS, the City has prepared an Addendum to the 2010-2035 General Plan Environmental Impact Report adopted by the City Council on November 16, 2010, and to the environmental review documents that were prepared for subsequent amendments to the General Plan that affected housing development in the City, including but not limited to the December 2013 Climate Action Plan Negative Declaration; the February 2016 Mission Town Center EIR; the 2016 Related Santa Clara EIR; the November 2016 Lawrence Station Area Plan EIR; the July 2018 575 Benton Project Addendum; the July 2019 Gateway Crossings EIR; the March 2022 Patrick Henry Drive Specific Plan EIR; the June 2022 Climate Action Plan Addendum; and the June 2022 Freedom Circle Future Focus Area EIR (collectively, the “Subsequent Documents”), all of which provide environmental clearance for all of the units in the 6th cycle Housing Sites Inventory;

WHEREAS, a notice of the public hearing on the proposed General Plan Amendment was published in the Santa Clara Weekly, a newspaper of general circulation for the City, on December 11, 2022, for the January 11, 2023 Planning Commission Meeting and the January 31, 2023 City Council meeting; and

WHEREAS, on January 11, 2023, the Planning Commission opened the public hearing to consider the proposed General Plan Amendment, and then continued the hearing to January 23, 2023; and

WHEREAS, on January 20, 2023, the City published a revised draft Housing Element with the changes required by HCD (see Housing Element Exhibit A – HCD Comments and Responses) and requested public comment on the draft; and

WHEREAS, on January 23, 2023, the Planning Commission resumed the previously-opened public hearing to consider the proposed General Plan Amendment, and then subsequently continued the hearing to January 26, 2023; and

WHEREAS, the Planning Commission reviewed the Addendum to the General Plan EIR, in accordance with the requirements of CEQA, along with the City Staff report pertaining to the Project, and all evidence received at a duly noticed public hearing on January 26, 2023. All these documents and evidence are incorporated herein by reference into this Resolution; and

WHEREAS, the Planning Commission recommended that the City Council approve the Addendum to the General Plan EIR, in accordance with CEQA for the Project; and

WHEREAS, on January 31, 2023, the City Council conducted a public hearing, at which time all interested persons were given an opportunity to give testimony and provide evidence in support of and in opposition to the proposed Addendum to the General Plan EIR.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. That the City Council hereby finds that the above Recitals are true and correct and by this reference makes them a part hereof.
2. That the City Council hereby finds that the Addendum to the General Plan EIR has been completed in compliance with CEQA.
3. That the City Council hereby finds that the Addendum to the General Plan EIR has been presented to the Council, which reviewed and considered the information and analysis contained therein, and that the Addendum represents the independent judgment of the Council.
4. That the City Council hereby finds that the proposed General Plan Amendments do not involve substantial changes to the General Plan that would require major revisions to the previous EIR or Subsequent Documents.
5. That the City Council hereby finds that there is no substantial change in circumstances as a result of modifications to the General Plan that would require major revisions to the previous EIR and Subsequent Documents or cause new or substantially more severe significant impacts.

//

//

6. That the City Council hereby finds that there is no new information of substantial importance that identifies new or more intense significant impacts than those identified in the General Plan EIR and Subsequent Documents.

7. Based on the findings set forth in this Resolution and the evidence in the City Staff Report, the City Council approves the Addendum to the General Plan EIR, in accordance with CEQA for the Project.

3. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 31ST DAY OF JANUARY 2023, BY THE FOLLOWING VOTE:

AYES:	COUNCILORS:	Becker, Chahal, Hardy, Jain, Watanabe, and Mayor Gillmor
NOES:	COUNCILORS:	Park
ABSENT:	COUNCILORS:	None
ABSTAINED:	COUNCILORS:	None

ATTEST:



NORA PIMENTEL, MMC
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference: None

Chapter 13.1

Introduction

Background and Purpose

The City of Santa Clara continues to be a desirable place to live and in recent years the City has adopted new policies and provided funding to achieve more affordable housing opportunities in the community, as well as preparing long range plans to add new high-density, amenity rich neighborhoods that provide a variety of affordability options.

The historic agricultural nature of Santa Clara was forever changed with the invention of the semiconductor chip in the 1950's. Since then, the growth of the technology industry has fueled job growth and propelled Santa Clara to the current population of about 127,000 residents.¹ Santa Clara's population is expected to grow by about 26 percent to 159,500 by 2040. The composition of the housing stock in Santa Clara has shifted, with more multi-family units being built than single family homes. This trend likely reflects the limited availability of land for development, the high cost of homeownership, and the growing number of young adults moving to this job rich area.

Demand for home ownership continues to exceed the supply and prices are increasingly out of reach even for moderate income households. As of 2019, 43 percent of homes were owner households and 57 percent were renter households, reflective of the high cost of home ownership in the area. Housing supply in general is tight with the vacancy rate of renter occupied homes only at 4.8 percent and owner homes at less than one percent.

The City's motto, the "Center of What's Possible", conveys the City's can-do commitment to addressing housing challenges and ensuring a high quality of life for current and future residents. In response to the daunting local and regional housing supply challenges, the City has been active in increasing housing access and choice, and removing barriers to development, as well as streamlining the development process to facilitate housing development. Additionally, the City is nearing completion of a comprehensive Zoning Code update which will further streamline processes with the inclusion of objective standards and new zoning districts that better align with the City's General Plan. In 2018, the City began implementing an affordable housing ordinance with inclusionary requirements for new housing development. The ordinance also includes a commercial linkage fee so that office, R&D, and data centers contribute fees to support affordable

¹ Census.gov



SANTA CLARA HOUSING ELEMENT

housing development. Since the fall of 2021, the linkage fee has generated over \$5.6 million, and those funds will be used to address affordable housing needs in the City.

The City has also partnered with affordable housing developers providing gap financing and is working expeditiously to facilitate entitlements and building permits for construction, meeting tight financing deadlines and requirements. Infill areas of the City such as El Camino Real, Stevens Creek Boulevard, Winchester Boulevard, and Homestead Road with strong access to transit, retail, schools, and services are the sites of several new affordable, supportive, and transitional housing projects under construction which have benefited from new State laws that streamline processes and, in many cases, have also been financially supported by the City. New neighborhoods in the long-range planning areas of Lawrence Station, Tasman East, Patrick Henry Drive, Freedom Circle, and Downtown will have access to high quality transit, parks, community center(s), schools, and entertainment.

Through this updated Housing Element, the City puts forth strengthened housing goals, policies and actions that will support housing opportunities for new residents and existing residents facing displacement pressures so that Santa Clara can continue to be a vital and diverse city in the heart of the Silicon Valley.

Regulatory Framework

The Housing Element is one of the required components of a General Plan and must be consistent with all other elements of the General Plan. It identifies ways in which the housing needs of existing and future residents can be met. State law describes in great detail the necessary contents of the Housing Element: 1) identifying housing needs; 2) affirmatively furthering and assessing fair housing; 3) analyzing constraints to housing production; 4) examining past accomplishments from prior housing element planning efforts; 5) understanding how past planning practices may have excluded groups of people from housing opportunities; 6) documenting how the public has been engaged in the planning process; and 7) assessing and describing how land and financial resources will be marshalled to meet all housing needs. This Housing Element responds to those requirements and responds specifically to conditions and policy directives unique to Santa Clara.

The California Legislature has identified the attainment of a decent home and suitable living environment for every Californian as the State's main housing goal. Recognizing the important part that local planning programs play in pursuit of this goal, the Legislature has mandated that all cities and counties prepare a Housing Element as part of their comprehensive General Plans.

Section 65581 of the California Government Code reflects the legislative intent for mandating that each city and county prepare a Housing Element:

1. To ensure that counties and cities recognize their responsibilities in contributing to the attainment of the State housing goal.

2. To ensure that counties and cities will prepare and implement Housing Elements which, along with federal and State programs, will move toward attainment of the State housing goal.
3. To recognize that each locality is best capable of determining what efforts are required by it to contribute to the attainment of the State housing goal, provided such a determination is compatible with the State housing goal and regional housing needs.
4. To ensure that each local government cooperates with other local governments to address regional housing needs.

Scope and Content of the Housing Element

The 2023-2031 City of Santa Clara Housing Element has been prepared to meet the intent and requirements of State law and is intended to be integrated into the City's 2010-2035 General Plan. The Housing Element covers the planning period that begins January 31, 2023, and ends January 31, 2031, focusing on ways to promote residential infill development, given land supply and cost constraints. The intent of this Element is to plan for an adequate variety of safe, appropriate, and well-built housing for all residents of Santa Clara.

To comply with State Housing Element Law the he Housing Element consists of:

- An overview of the housing element and its relation to other elements in the General Plan
- A review and assessment of the 2015-2023 Housing Element
- A summary of the housing needs assessment
- An assessment of Fair Housing
- An analysis of special housing needs
- A review of constraints to housing development
- An analysis of at-risk housing
- A sites analysis of land parcels suitable for housing
- Goals, policies, and actions that support the Housing Element

Acronyms

This element includes use of many acronyms to identify agencies, housing programs, funding sources, and planning terms. Commonly used acronyms are:

ABAG/MTC – Association of Bay Area Governments/Metropolitan Transportation Commission

ADU – Accessory Dwelling Unit

AFFH - Affirmatively Furthering Fair Housing

AI - Analysis of Impediments to Fair Housing



SANTA CLARA HOUSING ELEMENT

ACS - American Community Survey

AMI – Area Median Income

APR – Annual Progress Report

BMP – Below Market Purchase Program

BMR – Below Market Rental Program

CDBG – Community Development Block Grant

CEQA – California Environmental Quality Act

CHAS – Comprehensive Housing Affordability Strategy

CHDO – Community Housing Development Organization

COPA – Community Opportunity Purchase Act

DOF – State of California Department of Finance

HCD – State of California Department of Housing and Community Development

HOME – HOME Investment Partnership Program

HOME-ARP – HOME American Rescue Plan

HPS – Homelessness Prevention System

HUD – Federal Department of Housing and Urban Development

HVAC – Heating Ventilation and Air Conditioning

LIHTC – Low-Income Housing Tax Credit

LMI – Low to Moderate Income

MCC – Mortgage Credit Certificate

MFI – Median Family Income

MRB – Mortgage Revenue Bonds

NCIP – Neighborhood Conservation and Improvement Program

NOAH – Naturally Occurring Affordable Housing

NOFA – Notice of Funding Availability

PHLA – Permanent Local Housing Allocation

RHNA – Regional Housing Needs Allocation

SRO – Single Room Occupancy

SVP – Silicon Valley Power

TBRA – Tenant Based Rental Assistance

TCAC – California Tax Credit Allocation Committee

TOD – Transit-Oriented Development

Relationship to Other General Plan Elements

Since statutory requirements addressed in this Element overlap with other General Plan components, such as Land Use, Transportation, Environmental Quality, and Public Facilities and Services, it is necessary to look at the 2010-2035 General Plan in its entirety for an understanding of the relationship between the Housing Element and these topic areas. This Element meets the minimum standards required by State law for a housing element. Related housing issues can be found elsewhere in the General Plan. This Element is intended to be consistent with the 2010-2035 General Plan, adopted in 2010.

Public Participation

The Housing Element must reflect the values and preferences of the community; therefore, public participation in the planning process is critical to ensuring this Housing Element represents community voices. Government Code Section 65583(c)(9) states: “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.”

At its core, a Housing Element is an opportunity to have a community conversation about how to address local housing challenges, establish goals, develop policies, and find solutions. As such, the public engagement process for Santa Clara utilized several channels to solicit input from a variety of stakeholders. Key comments gathered from the engagement process are summarized in Appendix A: Community Outreach and a list of general outreach efforts are listed below:

- Community Meetings
- Stakeholders Meetings, Questionnaires, and Interviews
- Digital Surveys: English, Spanish, Vietnamese, Chinese (Simple)
- Community Events
- Community Pop-ups
- Tenant Listening Sessions
- Planning Commission and Community Council Meetings



SANTA CLARA HOUSING ELEMENT

At a high level, the community engagement was utilized to balance and align community input with State Housing Law requirements. With, consistent themes of affordability, housing type and tenure, housing choice, tenant protections, and homelessness the outreach process informed the Housing Plan actions, policies, and actions, and confirmed or highlighted trends identified by the demographic analysis. Specifically, outreach informed the creation of new efforts in the Housing Element as follows:

- Respondents to outreach and commentors were concerned that the designated levels of affordability in the city's existing inclusionary ordinance are increasingly not affordable for many residents. The Housing Element includes a planned effort to update the inclusionary ordinance to increase a greater number of units in the deeper affordability categories and to redefine the City's moderate affordability category to reflect a lower income range. Also proposed is including in the City's Notice of Funding Availability specifications criteria that would prioritize City funding of Extremely Low Income and Very Low Income units.
- Consistent feedback was received through all outlets and demographics of respondents highlighting the need to better address homelessness. The City's newly created Homelessness Task Force comprised of service providers, advocates, and individuals with lived experience of being unhoused have provided recommendations that are being pursued through the creation in a Homelessness Plan with implementation actions.
- Commentors provided feedback on the need for more displacement prevention. The Housing Plan includes the City Council future consideration of new policies and programs that would require no net loss of income restricted units during construction or rehabilitation of existing housing; replacement of existing affordable housing units at the same or lower affordability levels; landlord and City notification and information for tenants affected by efforts that would cause relocation; and require developers to provide relocation benefits beyond State requirements.
- Residents of affordable and special needs housing shared at listening sessions that they have been particularly affected by heat waves and wildfire smoke. As part of the City's CDBG program, the City will promote a Notice of Funding Availability process for installation of HVAC improvements for sensitive populations.

A summary of community engagement meetings and survey data are included in Appendix A: Community Outreach.

Public Review Draft and HCD Draft Housing Element

The Draft Housing Element was posted on the City's website on July 1, 2022. From July 1, 2022 through August 1, 2022, the draft Housing Element was advertised for public review by emails to the City's Housing Element Update email list (944 subscribers as of 8/9/2022), City's Planning

Developer Stakeholder list (110 subscribers as of 8/9/2022), Housing non-profit agencies and developers list (282), and emails to the Planning Commission and City Council. An online comment form was available for the public to provide feedback on the Draft Element. During this time, 24 public comments were received, as well as formal comment letters from Housing Choices, SV@Home, Partnership for the Bay's Future, Carpenters Local 425, Anne Paulson, Life Services Alternatives, TransForm, and Housing Action Coalition. A summary of public comments and the formal comment letters are included in Appendix A: Community Outreach. In response to these comments, the Housing Element was reviewed, and edits were made incorporating public comments including, but not limited to:

- additions and clarifications to the Housing Plan,
- additions and clarifications to the Affirmatively Furthering Fair Housing analysis and clarifications on the Housing Resources calculations
- edits to the Housing Resources parcel inventory
- and other minor edits and clarifications that were less substantive but were provided for readability.

The draft Housing Element was then submitted to HCD on August 22, 2022 for a 90-day review and formal comment. The draft Housing Element remained available on the City's website for additional public review and comment during the HCD review period. During the HCD review period the jurisdiction conducted additional public outreach and received additional public comment that was again incorporated into the draft Housing Element. And, upon receipt of the formal HCD comment letter the draft Housing Element was edited to address the findings specified in the letter and posted for public comment.

The Housing Element was revised in response to these comments and the public was invited to attend and comment on the Housing Element at hearings held before the Planning Commission and the City Council in January 2023. The revised Draft Housing Element was available on the website and at City Hall prior to each hearing.

On January 31, 2023, the City Council adopted Santa Clara's 2023-2031 (6th Cycle) Housing Element and submitted to HCD for their 60-day review. The City received a formal findings/comment letter on March 28, 2023 identifying additional revisions needed to comply with State Housing Element law.

The Adopted Housing Element was revised to address HCDs comments and noticed public hearings were held before the Planning Commission and City Council in June 2023. Emails were sent to the City's Housing Element Update topic subscribers (1,899 as of 5/30/2023) providing updates on the hearing schedule and the availability of draft revisions to the Adopted Housing Element and supporting materials on the website and through the Planning Commission and City Council agendas.



General Plan Consistency

All properties and land uses in the City are governed by the City's General Plan. The General Plan describes the long-term goals for the City's future and guides daily decision-making. The time frame of the General Plan is 2010-2035. The Plan contains the City's official policies on land use and community design, transportation, housing, environmental resources, and health and safety.

The Housing Element is part of the General Plan but operates on a state mandated schedule. The time frame for the Housing Element is 2023-2031, therefore it has been prepared to maintain internal consistency with the current 2035 General Plan as required by State law. Specifically, the sites inventory reflects the capacity under the land use designations of the 2035 General Plan, as amended. Internal consistency will be evaluated and maintained as part of the City's annual progress report (APR) pursuant to Government Code section 65400 and as general plan amendments occur.

The 6th-cycle Housing Element provides an opportunity to update the goals, policies, and actions identified in the 5th-cycle Housing Element (2015-2023), and with the increased focus on Affirmatively Furthering Fair Housing (AFFH), which has heavily influenced the document, will provide a framework for how the City evaluates future General Plan amendments and the next comprehensive General Plan update.

Background and Purpose.....	1
Regulatory Framework	2
Scope and Content of the Housing Element	3
Acronyms	3
Relationship to Other General Plan Elements	5
Public Participation.....	5
Public Review Draft Housing Element	6
General Plan Consistency	8

Chapter 13.2

Housing Plan

The goals, policies, and actions delineated in this chapter serve to support the City's vision of providing decent housing and a suitable living environment for every resident.

Goals and Policies

The Housing Plan identifies the City's goals for neighborhood conservation, housing production, housing support, and housing opportunities. The goals are supported by policies which are implemented through a series of actions.

Goal A Create and maintain high-quality, livable, and diverse housing stock within the City of Santa Clara.

Policy A-1: Maintain and improve the quality of residential housing stock, address housing deficiencies and prevent future blight through the encouragement of ongoing maintenance, rehabilitation, and conservation of existing housing stock.

Policy A-2: Provide residential code enforcement for conformance with City Code and Zoning Ordinance regulations.

Policy A-3: Utilize objective design standards to streamline the housing development process.

Policy A-4: Seek collaborative efforts with regional entities and utility service providers to subsidize and incentivize residential energy and water conservation.

Policy A-5: Proactively plan for sufficient housing capacity through infill development that is compatible with existing neighborhoods and through the preparation of neighborhood plans that will support the development of new, complete neighborhoods.

Goal B Designate suitable vacant or underutilized sites for new residential development.

Policy B-1: Identify potential sites for affordable housing units in areas of "high opportunity" as defined by the state.

Policy B-2: Encourage the building of high-density housing on appropriate vacant or underutilized sites.

Policy B-3: Identify and facilitate the award of local, regional, state, and federal funding sources to support housing development, housing infrastructure, and amenities.



SANTA CLARA HOUSING ELEMENT

Policy B-4: Identify and potentially designate surplus land that can accommodate low, very-low, and extremely low-income residential development.

Policy B-5: Encourage high density residential development utilizing the City's higher density and mixed-use residential designations in proximity to transit and other residential services.

Goal C Increase special needs housing opportunities for persons of all economic levels.

Policy C-1: The City shall collaborate with services agencies and community-based organizations to prioritize loans and grants toward housing for seniors, persons with disabilities, persons with mental illness, large families with children, female-headed households, victims of domestic violence, and people who are experiencing homelessness.

Policy C-2: Improve proximity and connections between special needs housing and high-quality transit stops, job centers, educational institutions, day care, open space, community services, and healthy food options.

Policy C-3: Participate in local, regional, State, and federal programs and efforts that support affordable, transitional, supportive, and permanent housing and address the needs of disadvantaged populations and those experiencing homelessness.

Policy C-4: Ensure compliance with all State and federal regulations relating to housing opportunities and the prevention of discrimination based on religion, gender, sexual orientation, marital status, national origin, ancestry, familial status, source of income, or mental or physical disability and any other protected classes under federal and State law.

Goal D Promote a variety of housing types, tenure, and location, including higher density where possible, especially for lower and moderate income and special needs households.

Policy D-1: Continue to identify and apply for funding that supports the development of housing for extremely-low and very low-income residents and special needs households.

Policy D-2: Continue to utilize General Plan land use and zoning updates to provide increased opportunity and flexibility in providing a variety of housing types and tenure.

Policy D-3: Periodically review the City's ordinances, policies, and procedures and make changes to reduce or remove constraints to housing development.

Policy D-4: Promote the use of density bonuses and development incentives to facilitate a variety of housing types and tenure.

Policy D-5: Encourage the construction of accessory and junior accessory dwelling units through outreach, education, and links to regional technical assistance.

Goal E Affirmatively further fair housing by increasing access to opportunity, reducing displacement impacts, reducing cost burden, targeting outreach to lower income residents, and rehabilitating substandard living conditions.

Policy E-1: Improve access to opportunity by working to improve the quality of life for residents of lower income communities, as well as supporting residents' mobility and access to 'high resource' neighborhoods.

Policy E-2: Work to reduce displacement of lower income residents from Santa Clara and to reduce the impact of relocation on low-income households.

Policy E-3: Conduct proactive outreach in areas of the City with less access to opportunity, to build awareness of services including fair housing complaint investigation, landlord tenant mediation, eviction and homelessness prevention counseling, and opportunities to apply for new affordable housing through the HouseKeys application portal.

Policy E-4. Conduct regular outreach, education, and affirmative marketing with community partners that have access to populations experiencing disproportionate housing problems and encourage early participation from a diverse set of residents and other stakeholders in the development of long-range plans and the review of new development proposals.

Policy E-5: Increase public participation by translating public outreach documents (e.g., flyers, surveys) as part of the public participation process and when marketing the City's affordable housing lotteries.

Policy E-6: Continue to provide, when appropriate and feasible, options for either virtual, in-person, or hybrid community meetings to allow for broader community participation.

Implementing Actions

Each Goal outlined in the Housing Plan is supported by one or more policies, which are often implemented by specific actions. Many of the identified actions below will implement multiple policies and goals. Some policies offer direction to Staff and appointed/elected officials in making decisions related to the provision of housing but are not implemented through specific housing programs.

Objectives for each action are either categorized as "Discrete" (objective to be completed during the timeframe of the Housing Element) or "Ongoing" (objective that happens throughout the timeframe of the Housing Element).



Action 1: Provision of a Variety of Housing Types

The City of Santa Clara supports and encourages the development of a variety of housing types to rent and to own in a variety of locations to maintain social and economic diversity in the community. During the Housing Element planning period, the City will promote the development of accessory units, affordable one- and two-story additions to single-family homes, and other lower income housing alternatives.

Funding Source: Departmental Budget

Responsible Agency: Planning Division and Housing and Community Services Division

Discrete Objectives:

- By November 2023, adopt the comprehensive Zoning Ordinance update with revised provisions to allow a variety of housing types through a by-right approval process using objective standards, including:
 - Single-room occupancy units (SROs)
 - Employee housing
 - Emergency shelters
 - Low barrier navigation centers
 - Permanent supportive housing
 - Residential care facilities
- As a part of the Zoning Ordinance Update, acknowledge group homes (residential care facilities) for 7 or more residents and separately enumerate residential care facility uses with 6 or fewer residents.
- As a part of the Zoning Ordinance Update, incorporate changes to state Accessory Dwelling Unit (ADU) law and incentivize the creation of ADUs by removing parking requirements and providing more flexible height standards

- By January 1, 2024, the City of Santa Clara Building Division will:

- Compile and post on the Building Division page a list of information needed to approve a post entitlement phase permit
- Post on the Building Division page an example of a complete approved application and an example of a complete set of post entitlement phase permits for at least 5 types of housing development projects: ADU, duplex, multifamily, mixed use, and townhome.

- By 2026, or as funds become available, through the provision of a notice of funding availability (NOFA), prioritize loans for the development of extremely low and very low-income housing alternatives, such as single-room occupancy (SRO) units, senior housing, family housing, housing for persons with disabilities (including developmental disabilities), licensed residential care homes, etc. (This responds to community feedback that 80-120% AMI housing is no longer affordable enough for many residents in Santa Clara).

- By 2030 increase the stock of:

- Extremely low and very low income rental housing designed for persons with developmental disabilities by 35% from 56 in 2023 to 76.
- Extremely low and very low income rental housing for elderly persons by 20% from 736 in 2023 to 884.
- Income restricted three and four bedroom affordable rental housing units to serve large households in Santa Clara by 20% from 107 units in 2023 to 129 units.

-By 2030, increase access to interim housing units, rapid rehousing, and emergency shelter beds by 30% from 453 in 2023 to 589.

- By the end of 2026, reassess demand for urban farmworker housing (current and retired workers) and gauge the interest and feasibility among developers to utilize the Joe Serna Jr. Farmworker Housing Grant Program when funds become available.



SANTA CLARA HOUSING ELEMENT

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Explore regional and state funding sources to build more housing opportunities for persons with disabilities and for extremely low-income households.
- Report on the production of ADUs through the City's Annual Progress Report (APR). If the pace of ADU production falls below the level necessary to achieve 392 ADUs during the 2023-2031 planning period (approximately 49 ADUs/year), within six months of acceptance of the APR, present a plan to City Council to remove barriers and/or further incentivize ADU production (e.g., through additional Zoning changes).
- Continue participating in the development and implementation of the Santa Clara County Planning Collaborative ADU Program, which will include a central online resource for making it easier to build ADUs, including an ADU Guidebook, gallery of ADU plans, examples/stories of real ADUs that have been built, and an ADU cost calculator.

Relevant Policies: Policy A-3, Policy B-1, Policy B-3, Policy C-1, Policy C-2, Policy C-3, Policy C-4, Policy D-1, Policy D-2, Policy D-3, Policy D-4, Policy D-5

Action 2: Affordable Housing Ordinance

The City's Affordable Housing Ordinance requires developers of residential developments of 10 or more units to provide the following:

- Rental projects - 15% of rental units must be affordable to renters of extremely low, very low, low, and moderate income households, as long as the distribution of affordable units averages to a maximum of 100% of AMI.
- For sale/ownership projects - 15% of units must be affordable to extremely low, very low, low, and moderate income households, as long as the distribution of affordable units averages to a maximum of 100% of AMI.

The Affordable Housing Ordinance has two components: Below Market Rental (BMR) program and Below Market Purchase (BMP) program. The City offers BMR and BMP units to income-qualified households. This program is an important tool for providing very low, low and moderate income housing opportunities.

Funding Source: Inclusionary Housing

Responsible Agency: Housing and Community Services Division

Discrete Objectives:

- By the middle of 2025:

- Update the citywide affordable housing ordinance to align with recent feasibility studies and area plan approvals for the Patrick Henry Drive Specific Plan and the Freedom Circle Focus Area that support deeper affordability requirements (5% very low income, 5% low income, and 5% moderate income) for inclusionary rental and ownership projects. Complying with the proposed affordability requirements would entitle developers to use the Density Bonus provisions of state law.
- Assess the feasibility of updating the ordinance's definition of "moderate income" units from 120% AMI to 100% AMI to further distinguish the difference between "moderate income" and market rents. This responds to stakeholder feedback that 120% AMI is not affordable for many residents and in some cases exceeds market rents.
- Conduct community outreach to present and receive feedback on the feasibility study and bring the study and summary of community feedback to City Council.
- Determine the feasibility and marketability of changes to the BMP program that would keep new BMP homes affordable, or deed restricted, for 20-30 years instead of just five years. Such changes could also make the City's BMP program compatible with the County's new Below Market Rate Partnership program which aims to assist low and very low-income first-time homebuyers. This responds to stakeholder feedback that homeownership is desired but increasingly less attainable in Santa Clara.



SANTA CLARA HOUSING ELEMENT

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Monitor and report the effectiveness of the Affordable Housing Ordinance in expanding affordable housing choices through the City's Annual Progress Report to HCD.
- Conduct in-person outreach once per year in low and moderate resource areas of the City to educate residents on how to use local and regional housing lottery systems and fair housing resources.

Relevant Policies: Policy B-1, Policy B-2, Policy B-3, Policy C-1, Policy C-2, Policy C-3, Policy C-4, Policy D-1, Policy D-4

Action 3: Affordable Housing Incentives and Facilitation

For-profit and nonprofit developers play a significant role in providing affordable housing in Santa Clara. The City will proactively encourage and facilitate the development efforts of developers and organizations for the construction of affordable housing for lower income households, particularly those with special needs including seniors, large households, extremely low income households, households with persons who have disabilities (including developmental disabilities), and licensed residential care homes.

Funding Source: CDBG; HOME; General Fund

Responsible Agency: Planning Division and Housing and Community Services Division

Discrete Objectives:

- By June 2023, create and post an SB 35 checklist and written procedures for processing SB 35 applications.
- Prior to the end of 2024, the City will conduct public outreach and issue a request for proposals to develop mixed income or 100% affordable housing on the vacant former site of the King's Highway Motel on El Camino Real.

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Encourage and assist in efforts to combine public and private funds in joint housing ventures that maximize affordability.
- As appropriate, support and/or partner with housing developers in the application for affordable housing funding, such as providing technical

data, assistance in identifying available and appropriate sites, and expediting review and processing of affordable housing.

- Apply reduced parking requirements for transit-rich environments from the Zoning Ordinance Update to proposed long-range plans, including the El Camino Real Specific Plan and the Santa Clara Station Area Plan, which will positively impact housing, transportation and other plan goals.
- As appropriate, collaborate with neighboring jurisdictions to pursue funding opportunities for affordable housing programs.
- Utilize CDBG and HOME funds in conjunction with other cities' funds to construct or rehabilitate shelters, public service facilities, and to provide housing services.
- Review best practices to identify appropriate incentives and policies to support affordable housing development in the City including fee deferral, reduction, or waivers.

Relevant Policies: Policy B-1, Policy B-2, Policy B-3, Policy B-4, Policy B-5, Policy C-1, Policy C-2, Policy C-3, Policy C-4, Policy D-1, Policy D-2, Policy D-3, Policy D-4, Policy D-5

Action 4: Maintenance of Housing Stock

Since 1976, the City of Santa Clara has assisted more than 1,000 homeowners to rehabilitate and increase the value of their homes through the Neighborhood Conservation and Improvement Program (NCIP). Under the direction of the City of Santa Clara Housing and Community Services Division and in partnership with Rebuilding Together Silicon Valley, NCIP offers technical and financial assistance to qualified homeowners. The program is designed for citywide households with gross incomes at or below 80 percent of County median income. Various types of minor and major repairs may be addressed, including accessibility improvements, re-roofing, plumbing, heating/cooling, electrical, termite damage, foundation, and weatherization. The costs for home repairs are covered through a grant or a loan depending on the size of the project.

The Multi-Family Affordable Energy Efficiency program allows for the City's special revenue funds in partnership with Silicon Valley Power (SVP) to pay for energy consultants to recommend and create a scope of work for specific SVP project rebates. The program also allows for the City to provide assistance for the cost of installation and facilitates the grant administration process.

Funding Source: CDBG, HOME / Special Revenue Funds (in partnership with SVP)



SANTA CLARA HOUSING ELEMENT

Responsible Agency: Housing and Community Services Division

Discrete Objectives:

- By the end of 2024, conduct outreach to single-family home residential care facilities that serve protected classes including persons with disabilities to determine interest in and the feasibility of including these properties in future CDBG/HOME Notices of Funding Availability to address rehabilitation and emergency repairs in these facilities. (This objective responds to feedback from Life Services Alternatives)
- By fall 2025, market future CDBG capital NOFAs to residential care facilities for repair and renovation work to begin in summer 2026. The NOFA shall include extra points for projects that serve persons with disabilities and/or extremely low income households.

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Assist approximately 200 low, very low, and extremely low income homeowners with rehabilitation and emergency repair assistance through loans and grants.
- Continue to conduct inspections of homes on a request and complaint basis, providing referrals to the NCIP and assistance where possible to correct identified issues and problems in both primary and secondary dwelling units.
- Through the CDBG program, to address rising average temperatures, promote NOFA process for installation of HVAC improvements for sensitive populations, including seniors in multifamily housing. (This response to feedback from seniors that live in apartments that do not have air conditioning).

Relevant Policies: Policy A-1

Action 5: Preservation of Assisted Rental Housing & NOAH

To meet the housing needs of persons of all economic groups, the City is committed to guarding against the loss of housing units reserved for lower income households. Four assisted rental projects, with a total of 45 units in Santa Clara are identified to be at potential, albeit very low, risk of conversion to market rate use between June 2028 and October 2031. In addition, the City will monitor the status of naturally occurring affordable housing (NOAH)

Funding Source: Departmental Budget

Responsible Agency: Housing and Community Services Division

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Continue to assist property owners of income restricted housing to make periodic capital improvements to their property, to improve energy efficiency and to extend affordability.
- Continue to monitor and analyze inventory of income restricted projects/units that may be at-risk of losing affordability controls and maintain contact with the property owners regarding long-term plans for their projects.
- Maintain contact with public and nonprofit agencies (qualified entities), such as the Sobrato Family Foundation, BRIDGE Housing, and MidPen Housing that have expressed interest in purchasing, managing, or financing the acquisition of at-risk units.
- Explore new funding sources that can be used for preservation from the Bay Area Housing Finance Authority (BAHFA) and other state sources.
- Work with owners of at-risk income restricted housing to restructure City loans in exchange for extended affordability restrictions.
- Work with tenants of at-risk units, providing them with information regarding tenant rights and conversion procedures, including the property owner requirement to provide a minimum 12-month notice of intent if they choose to opt out of low-income use restrictions.
- By the end of 2024, develop a list of naturally occurring affordable housing (NOAH) locations and meet with interested property owners to facilitate possible connections between sellers, affordable housing developers, and funding sources.
- In 2025, 2027, and 2029, monitor the risk of conversion of naturally occurring affordable housing (NOAH) by contacting owners of the highest risk properties to determine their intentions and continue to coordinate with qualified entities regarding the conversion of NOAH to income-restricted affordable housing.

Relevant Policies: Policy A-1, Policy A-2, Policy A-4, Policy B-1, Policy B-4, Policy C-4, Policy D-1, Policy D-2, Policy D-3, Policy D-4, Policy D-5



Action 6: Acquisition of Multi-Family Housing

As a strategy to expand the City's affordable housing inventory, Santa Clara will continue to explore opportunities for the acquisition/rehabilitation of multi-family housing. As funding permits, the City will work with nonprofit organizations to acquire and rehabilitate deteriorating and distressed properties and convert them into affordable rental housing for lower income households, including those with special needs.

Funding Source: CDBG; HOME

Responsible Agency: Housing and Community Services Division

Discrete Objectives:

- By end of 2025ar, present to the City Council the findings from an analysis of the need/benefit and resources required to implement a Community Opportunity Purchase Act (COPA) program in the City of Santa Clara. A COPA program gives a qualified nonprofit buyer the right to make a first offer on a residential property that is for sale covered by the program.

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Create a database of naturally occurring affordable housing and annually monitor property sales and/or permit applications to identify conversion trends early.
- Explore funding sources available at the regional, state, and federal levels to support affordable housing developers with acquisition/rehabilitation opportunities.
- Work with nonprofit entities to acquire properties and rehabilitate existing multi-family structures to be maintained as or converted into affordable rental housing. Prioritize assistance for housing that is within one half mile of rail transit stations or that is in a high or highest opportunity area according to TCAC.

Relevant Policies: Policy B-1, Policy C-1, Policy C-2, Policy C-3, Policy D-1

Action 7: Code Enforcement Program

Code enforcement is essential to ensuring housing conservation and rehabilitation. The City maintains a strong housing inspection and code enforcement program to ensure adequate maintenance of the housing stock and quality of residential neighborhoods. In an average year, the City receives several thousand complaints related to possible code enforcement violations. In many cases, the responsible party for the code violation is given the opportunity to voluntarily correct the situation and comply with current codes without a penalty.

Funding Source: CDBG, General Fund

Responsible Agency: Planning Division, Building Inspection, Police Department

Discrete Objectives:

- By the second half of 2024, establish pilot multi-family residential housing inspection and educational programs that are self-funded through fees with a focus on census block groups with high concentrations of persons with disabilities, disproportionate housing needs, and overcrowding.

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Proactively and systematically respond to housing code violations.
- Provide special attention to maintaining the stability of residential neighborhoods through development and enforcement of minimum standards of allowed use of the City's streets, as well as maintenance of front and other yard areas visible from the public right-of-way.

Relevant Policies: Policy A-1, Policy A-2, Policy A-3

Action 8: Neighborhood Relations Programs

Since 1990, the Neighborhood-University Relations Committee (NURC) (formerly Student Housing Committee) has been responsible for reviewing student housing issues. NURC meets regularly to facilitate on-going communication and problem solving among City officials, neighborhoods, property owners and Santa Clara University (SCU) officials and students. Santa Clara University has established a Residency Requirement for Freshman and Sophomore students, with some exceptions, to live on campus. In 2022, the City convened an ad hoc Homelessness Task Force which will be replaced in 2023 with a permanent Housing Commission. The new commission will advise on the use of the City's federal CDBG and HOME funds, and on the City's homelessness response efforts.



SANTA CLARA HOUSING ELEMENT

Funding Source: General Fund

Responsible Agency: Housing and Community Services Division

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Starting in late 2023, utilize the newly formed Housing Commission to advise on CDBG and HOME grant administration for capital projects and community services, and on the City's homelessness response efforts.
- Improve the maintenance of student-occupied homes and behavior of the occupants via owner outreach to minimize impacts on neighborhoods surrounding SCU.
- Enhance code enforcement and special police patrols to address the problems in the area.
- Continue to hold meetings three times per year with student tenants, landlords, SCU, residents, and the City to allow opportunities for stakeholders to discuss neighborhood issues and concerns.
- Continue to work with neighbors (residents, businesses, and institutions such as Santa Clara University) to ensure that development is compatible with existing neighborhoods and that neighbors are satisfied with the design, density, and parking requirements of projects.

Relevant Policies: Policy A-1, Policy A-2, Policy A-3, Policy C-4, Policy E-2, Policy E-3

Action 9: Zoning Ordinance

The City is currently undertaking a comprehensive update to its Zoning Ordinance to reflect the current goals and policies of the 2010-2035 General Plan. As part of this update, the City will revise its provisions for parking, including reduced parking requirements and unbundled parking for multi-family uses in transit-rich environments. The Zoning Ordinance Update will also include provisions for a variety of housing types, including low-barrier navigation centers, residential care facilities, employee housing, and SRO housing. The update is expected to be completed in November 2023. The comprehensive Zoning update is intended to bring consistency between the Zoning Ordinance and the General Plan, implementing the General Plan goals by facilitating mixed use development and higher density residential development, protecting existing neighborhoods, and incentivizing redevelopment with appropriate development standards and streamlined procedures.

Funding Source: General Fund

Responsible Agency: Planning Division

Discrete Objectives:

- Complete the comprehensive update to the Zoning Ordinance by November 2023. The Zoning Code will include provisions that:
 - Provide for by-right approval of a variety of housing types (see Action 1)
 - Allow emergency shelters by right in the R-3 and R-4 Residential districts, the C-C and C-R Commercial districts, and the MU-VHD Mixed Use district, and allow emergency shelters in the LI Light Industrial and PQP Public/Quasi-Public districts with the issuance of a Minor Use Permit.
 - Further reduce use of Planned Developments (PDs) by including new high-density residential and mixed-use zoning districts that conform to the General Plan and by allowing by-right approvals that meet objective development standards
 - Any nonvacant site in the 6th Cycle Housing Element Sites Inventory that was identified in a previous (i.e., 5th or 4th Cycle) Housing Element would need to provide a minimum of 20 percent of the units affordable to lower income households in order to be approved by right.
 - Allow by-right expansion of single-family homes built with non-conforming side setbacks and/or one-car garages
 - Bring the City into compliance with State Density Bonus Law (SDBL), including recently adopted legislation that goes into effect in 2023.
 - Revamp residential parking requirements, including unbundling and make appropriate reductions in parking requirements according to housing type (i.e., reduced parking requirements for units for people with developmental and other disabilities)
 - Apply adopted zoning designations to the City's Zoning map, consistent with the City's General Plan, which will add



SANTA CLARA HOUSING ELEMENT

additional housing sites totaling 1,242 units to the El Camino Real corridor.

- Include the ability for the Director of Community Development to allow up to two (2) one-year permit extensions administratively.

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Monitor the Zoning Ordinance for any potential constraints to the development of housing, particularly housing for persons with special needs (including those with developmental disabilities) and amend the Zoning Ordinance to address those constraints.

Relevant Policies: Policy B-2, Policy B-4, Policy B-5, Policy C-2, Policy D-2, Policy D-3, Policy D-4, Policy D-5

Action 10: Adequate Sites Inventory

The City is committed to ensuring that adequate sites at appropriate densities remain available during the planning period, as required by law. The residential sites analysis completed for the 2023-2031 Housing Element indicates the City can accommodate its RHNA of 11,632 units, including 2,872 very low income units, 1,653 low income units, 1,981 moderate income units, and 5,126 above moderate income units.

Funding Source: Departmental Budget

Responsible Agency: Planning Division

Discrete Objectives:

- To supplement the City's housing sites inventory and to prepare for the 7th Housing Element cycle:
 - By the end of 2025, to encourage transit-based development, complete the Santa Clara Station Area Plan.
 - By the end of 2025, to encourage mixed-use development, complete the El Camino Real Specific Plan.

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Monitor the status of approved and proposed projects on the Housing Sites Inventory. Include a table with 6th Cycle APRs that describes the status of projects listed in Table 13.6-2 Pending and Approved Projects.
- As a part of monitoring the status of approved projects, when an entitlement is nearing expiration, proactively notify applicants to apply for extension.
- In the event that proposed projects are not approved within two years of HCD certification of the Housing Element, rework the Housing Element Sites Inventory to include additional sites, as needed, to ensure sufficient capacity to meet the City's RHNA at all income levels.
- Maintain an inventory of housing sites appropriate for a range of income levels and housing types, including supportive housing for persons with disabilities and developmental disabilities.
- Provide information and technical assistance on Federal and State funding sources or referrals to appropriate agencies.
- Monitor and report on the dispersion of affordable units throughout the City.
- Review housing sites inventory at time of development proposal to determine consistency with proposed density and assumed density in the Housing Element.
- Maintain a no net loss of units identified in the sites inventory of this Housing Element. If the assumed density is not entitled, a finding must be made that the displaced units can be redistributed to other opportunity sites.

Relevant Policies: Policy B-1, Policy B-2, Policy B-3, Policy B-4, Policy C-2, Policy D-1, Policy D-2, Policy D-3, Policy D-4, Policy D-5

Action 11: Impact Fees

The City charges various impact fees to provide essential services and facilities to serve new development. The City will conduct an impact fee study to compare the City's fees with surrounding and similar jurisdictions.



SANTA CLARA HOUSING ELEMENT

Funding Source: Departmental Budget

Responsible Agency: Planning Division

Discrete Objectives:

- By the end of 2025 conduct and present the results of an impact fee study to the City Council to assess if impact fees are constraining development or providing a competitive edge for the City. If City fees deviate significantly from those charged by comparable communities for either market rate or affordable developments, take actions by July 2026 to adjust fees as appropriate.
- By the beginning of 2029 conduct and present the results of an impact fee study to the City Council to assess if impact fees are constraining development or providing a competitive edge for the City. If City fees deviate significantly from those charged by comparable communities for either market rate or affordable developments, take actions by July 2031 to adjust fees as appropriate.

Relevant Policies: Policy B-2, Policy B-3, Policy B-5, Policy C-3, Policy D-1

Action 12: Affordable Housing Funding

The City will continue to explore gaining access to additional resources that provide a steady funding stream for affordable housing. These may include, funding from the Bay Area Housing Finance Authority, County, State, federal, housing or land trust funds, and private sector support, partnerships, or philanthropy.

Funding Source: Departmental Budget Planning

Responsible Agency: Planning Division and Housing and Community Services Division

Discrete Objectives:

- By the end of 2025, staff will organize a City Council study session to explore new sources of funding for the development of extremely low income and very low-income affordable housing including strategies to compete for and leverage federal, state, county and philanthropic funds, financial contributions from large employers, local revenue measures and other funding sources.

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Annually, staff will evaluate Notices of Funding Availability (NOFAs) from State, federal, and regional programs and pursue funding applications as appropriate.

Relevant Policies: Policy B-3, Policy C-1, Policy C-3, Policy D-1

Action 13: Residential Displacement

Development in the City has primarily occurred as the recycling of existing marginal commercial and industrial uses into higher density multi-family housing. As such, the City has not yet experienced direct displacement of lower income households due to new development. As redevelopment of existing uses continues, the City will evaluate potential displacement of residents, and develop and adopt measures, as appropriate, to address the risk of direct or indirect displacement of those existing residents. The City will monitor such measures bi-annually for effectiveness and make necessary adjustments.

Funding Source: Departmental Budget

Responsible Agency: Planning Division

Discrete Objectives:

- By the end of 2025 analyze the feasibility of setting a rent deposit limit and present findings from that analysis to the Housing Commission and City Council.
- Within one year of Housing Element adoption, evaluate and provide recommendations to City Council on new programs and policies that prevent displacement and/or facilitate soft landings when relocation is unavoidable. This evaluation will include the following policy areas at a minimum:
 - Requiring no net loss of income-restricted residential units during the construction of new housing or rehabilitation of existing housing.
 - Requiring the replacement of existing affordable units at the same or lower income level as a condition of development.
 - Requiring landlords to notify tenants and the City at least one year in advance of redevelopment and/or potential



SANTA CLARA HOUSING ELEMENT

conversion to market rate housing. Provide information regarding tenant rights and conversion procedures.

- Require developers to provide relocation benefits beyond those required by the state.
- Policies, programs and procedures that help minimize the risk of displacement caused by substandard conditions including through local code enforcement activities.

- Within two years of Housing Element adoption, adopt programs and policies to address displacement with bi-annual monitoring and reporting of effectiveness.

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Continue to fund tenant landlord resources and dispute resolution services.
- Continue to fund the regional Homelessness Prevention System (HPS) lead by Destination Home which provides emergency rent and deposit assistance and housing counseling services.
- Continue to market new below market rate rental (BMR) and ownership (BMP) opportunities broadly, and especially to residents living in lower income areas of the City.

Relevant Policies: Policy B-1, Policy B-2, Policy B-3, Policy B-4, Policy B-5, Policy C-1, Policy C-3, Policy D-2, Policy D-3, Policy D-4, Policy D-5

Action 14: Housing Choice Voucher Program

The Section 8 Housing Choice Voucher Program extends rental subsidies to very low income households, as well as elderly and disabled persons. The subsidy represents the difference between 30 percent of the monthly income and the allowable rent determined by the Section 8 program. Vouchers permit tenants to locate their own housing and rent units beyond the federally determined fair market rent in an area. The City's role in this action will be to advocate for more Housing Choice Vouchers for Santa Clara residents.

Funding Source: Section 8

Responsible Agency: Housing Authority of the County of Santa Clara Continue to participate in and promote the Housing Choice Voucher Program.

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Advocate for additional project and person-based vouchers for seniors and other special needs groups on fixed incomes in Santa Clara through partnerships with the affordable housing developers, Santa Clara County Housing Authority, and the County’s Office of Supportive Housing. This responds to stakeholder feedback that seniors and households on fixed incomes cannot afford rent increases that are based on escalating HCD Income Limits.
- Annually assist the Housing Authority with the promotion of incentives that encourage landlords to accept Housing Choice Vouchers to ensure that voucher holders can find housing and avoid displacement or homelessness.
- Continue to refer households in need to the Housing Authority’s Housing Choice Voucher Application Portal.

Relevant Policies: Policy B-3, Policy C-1, Policy C-3, Policy D-1

Action 15: Homeownership for First-Time Buyers

The City continues to create affordable ownership units through its Inclusionary Housing Policy. HouseKeys partners with Santa Clara staff to offer the units created through the Inclusionary Housing - Below Market Purchase (BMP) program to income-qualified households. The intent of the BMP program is to offer low and moderate income homebuyers an opportunity to purchase a home they would not ordinarily be able to afford. If a BMP homeowner wishes to sell the home between 6-20 years after purchase, they must pay back the City’s remaining note value and a share of the equity increase.

Other resources for affordable homeownership are also available to Santa Clara residents. These include the Housing Trust Silicon Valley, Mortgage Credit Certificates, Habitat for Humanity, and Santa Clara County’s Office of Supportive Housing.

The Housing Trust Silicon Valley Empower Homebuyers SCC program provides loans to low- and moderate-income homebuyers in Silicon Valley in the form of low-interest, second mortgages and down-payment assistance. Santa Clara residents are eligible for two types of assistance offered by the Housing Trust, mortgage assistance and gap assistance.

The Mortgage Credit Certificate Program (MCC), administered by the County of Santa Clara Office of Affordable Housing, provides financial assistance to first-time homebuyers. The Santa Clara County MCC tax credit reduces the federal income taxes of qualified borrowers purchasing



SANTA CLARA HOUSING ELEMENT

qualified homes, thus having the effect of a mortgage subsidy. The current tax credit rate is up to 15 percent of the interest paid to the lender on the first loan.

Habitat for Humanity East Bay/Silicon Valley provides ownership opportunities for first-time homebuyers via a sweat equity and savings plan programs. Households, friends, and family contribute 250-500 hours of sweat equity into the construction of their homes.

Santa Clara County's Measure A also sets aside funds to assist first time homebuyers. In 2023, the County will roll out new programs that help low income households attain home ownership.

Additionally, SB 9, signed into law in September of 2021 and effective January 1, 2022, allows property owners within single-family residential zones to build two units and/or to subdivide an existing lot into two parcels, for a total of four units that can each be sold as separate units, can help enable affordable home ownership for first time buyers.

Funding Source: Inclusionary Housing

Responsible Agency: Housing and Community Services Division and HouseKeys

Discrete Objectives:

- By the end of 2024, present to the City Council proposed changes to the BMP program to keep homes affordable for longer than 5 years by requiring resale to income eligible homeowners in the program. This change could also make Santa Clara's BMP program compatible with Santa Clara County subsidies that are intended to make homeownership attainable for low and very low-income households. If approved, implement the change by December 2025.

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Continue to promote homeownership for first time buyers through units that are income restricted and marketed under the City's inclusionary ordinance.
- Encourage program participation for all levels of household income that meet eligibility criteria.
- Continue to promote homebuyer assistance programs through the Housing Trust Silicon Valley, County of Santa Clara, Habitat for Humanity, and the County's Office of Supportive Housing (Measure A).

Relevant Policies: Policy B-3, Policy C-1, Policy D-1

Action 16: Fair Housing Program

The City contracts with a qualified fair housing services provider to provide fair housing services to its residents. Currently, the City utilizes Project Sentinel, a nonprofit agency that provides information and dispute resolution services to tenants, landlords, and roommates. Since 2009, Project Sentinel has assisted over 1,000 Santa Clara households and landlords to resolve disputes through counseling, conciliation, and mediation.

Funding Source: CDBG

Responsible Agency: Housing and Community Services Division

Discrete Objectives:

- By the end of 2025, bring forward a proposal for City Council consideration to write an ordinance that requires landlords to provide a City approved multilingual brochure to all tenants with every lease signing that summarizes landlord and tenant rights under state law. If the ordinance is approved, conduct a series of educational workshops with local landlords and tenants.
- By fall 2028, develop a CDBG Notice of Funding Availability that awards additional points to place-based capital improvements that improve access to opportunities in HUD designated low-income and distressed areas of the City.
- By June 2027, complete construction of 36 curb ramps, 12 curb bulb-outs, 50 feet of new sidewalk, 2 new traffic signals, 2 new Pedestrian Hybrid Beacons, 2 new Rectangular Rapid Flashing Beacons, upgrade 2 existing traffic signals, install 10 streetlights, and install over 5,000 ft of Class II & III bike lanes at various locations along Cabrillo Ave, Lafayette St, Monroe St, Royal Dr, Scott Blvd, and Warburton Ave in Central Santa Clara to improve safety and mobility. This area overlaps with an MTC Equity Priority Community and is considered a Low Opportunity Area by TCAC.
- By 2027, Market the Silicon Valley Hopper ride share service Citywide in Central and North Santa Clara once it becomes available. This service will help connect lower income residents to major employment centers, VTA Light Rail, Caltrain and the future BART station.



SANTA CLARA HOUSING ELEMENT

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Continue to refer tenant-landlord complaints to an agency offering meditation, within five (5) business days of receiving the complaint.
- Provide referral services and promotional support to link those experiencing discrimination in housing with public or private groups who handle complaints against discrimination.
- Seek state and federal enforcement of fair housing laws and continue to cooperate with local agencies investigating claims of discrimination in lending practices and predatory lending.
- Work with Project Sentinel and other nonprofit organizations to improve the City's webpage to include more landlord/tenant rights resources, rights regarding reasonable accommodation, and contact information in a format that is easily translatable using a web browser.
- Partner with nonprofit organizations and hold in-person open house events and meetings at least twice per year to distribute fair housing information, resources about how to apply for affordable housing, distribute multilingual collateral (Spanish, Chinese, and Vietnamese) about landlord tenant rights under state law, rights regarding reasonable accommodation, and other forms of assistance and housing services
- Refer disputes between property owners to the County Human Relations Commission's Dispute Officer within five (5) business days of the City being informed of the dispute.

Relevant Policies: Policy B-3, Policy C-1, Policy C-4, Policy D-1

Action 17: Homeless Services

In 2022 the City convened a six-month Homelessness Taskforce. The Taskforce included stakeholders with a range of perspectives and experience to help identify priorities and provide recommendations related to the development of a local plan to reduce homelessness and its impacts. Additionally, the City's Police Department conducts outreach through the Community Response Team and the Housing and Community Services Division administers grants to several local agencies that offer services to the homeless. The following agencies have received funding from the City:

- WeHope Dignity on Wheels Mobile Shower and Laundry Service

- Santa Clara County Homelessness Prevention System (HPS)
- Santa Clara County case management for permanent supportive housing clients
- Next Door Solutions to Domestic Violence
- Emergency Housing Consortium
- St. Justin Community Ministry
- Bill Wilson Center
- Abode Services
- Community Technology Alliance
- InnVision

Funding Source: CDBG, HOME, HOME ARP, PHLA

Responsible Agency: Housing and Community Services Division

Discrete Objectives:

- Adopt and begin implementation the City's Homelessness Response Plan by fall 2023. The Plan identifies the following priority areas:

- Conduct proactive street outreach with the goal of assessing people for supportive housing
- Address basic needs of people living outside, including shelter, health, and hygiene
- Build community understanding of the causes, needs, and experience of homelessness
- Reduce the impacts of unsheltered homelessness throughout the community
- Create broad based support for interim and permanent supportive housing as well as Extremely Low Income (ELI) housing development across the City
- Prevent homelessness for at-risk City residents



SANTA CLARA HOUSING ELEMENT

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Continue to provide street outreach through the Police Department's Community Response Team and additional proactive strategies to ensure that people experiencing homelessness in the City are assessed as part of the Coordinated Entry System and connected to other services.
- Continue to invest HOME funds into the City's Tenant Based Rental Assistance (TBRA) program.
- Continue to invest in the regional Homelessness Prevention System to provide emergency rent assistance, deposit assistance, and case management services.
- Target services to vulnerable populations, including at-risk youth, seniors, and persons with disabilities and unhoused families with children.

Relevant Policies: Policy B-3, Policy C-3, Policy D-1

Action 18: Shared Housing

Shared housing can be an affordable alternative for lower income seniors, disabled, and special needs residents when sufficient support and property management services are included. The City can support this housing type through acquisition and rehabilitation subsidies.

Funding Source: Departmental Budget, CDBG

Responsible Agency: Housing and Community Services Division

Discrete Objectives:

- In 2024, evaluate the need for shared housing services as part of the 2025-2030 HUD Consolidated Planning process.
- By 2025 explore ways to improve City staff capacity to help seniors and other special needs groups navigate the housing market and to access subsidized housing. (This objective was added in response to feedback from seniors, senior care providers, and Project Sentinel)
- By 2026 explore ways to increase access to service enhanced senior housing with rents capped at 30 percent of income versus based on median income limits. Present findings to the Senior Commission and

City Council. (This objective was added in response to feedback from seniors).

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Continue to support the creation of new shared housing for lower income persons with developmental disabilities by including acquisition or rehabilitation as a category in a notice of funding availability for affordable housing prior to 2026 (This objective was revised to reflect community feedback that home sharing can work well for persons with developmental disabilities, but not as well for elderly residents).

Relevant Policies: Policy B-1, Policy C-2, Policy C-3, Policy C-4, Policy D-1, Policy D-2

Action 19: Tasman East Specific Plan Amendment

The Tasman East Specific Plan, adopted in 2018, has approved and proposed projects totaling 4,438 units, nearly the adopted capacity of 4,500 units. With approximately 10 acres of land zoned and still available for redevelopment, the City can help to facilitate the development of additional residential units by amending the Specific Plan and creating environmental clearance for those units.

Funding Source: Departmental Budget, SB2 grant

Responsible Agency: Planning Division

Discrete Objectives:

- By the end of 2023, adopt a Specific Plan amendment and associated environmental clearance allowing an additional 1,500 dwelling units in the Tasman East plan area. The amendment will include an update to the Tasman East Infrastructure Fee, to ensure that costs are shared equitably between developers.

Relevant Policies: Policy B-1, Policy B-2, Policy B-3, Policy B-4, Policy C-2, Policy D-1, Policy D-2, Policy D-3, Policy D-4, Policy D-5

Action 20: Water and Sewer Affordable Housing Service Provisions

Government Code, § 65589.7 requires Cities to have specific procedures to grant priority for water and sewer service to developments with units affordable to lower-income households.



SANTA CLARA
HOUSING ELEMENT

Funding Source: Departmental Budget

Responsible Agency: Water and Sewer Department

Discrete Objectives:

- Within six months of certification of the Housing Element, adopt procedures to grant priority for water and sewer service to developments with units affordable to lower-income households, per Government Code, § 65589.

Relevant Policies: Policy D-2, Policy D-3

Quantified Objectives

Table 13.2-1 summarizes the City of Santa Clara’s quantified housing objectives for the 2023-2031 Housing Element planning period.

Table 13.2-1: Quantified Objectives

	<i>Income Level</i>					
	<i>Extremely Low</i>	<i>Very Low</i>	<i>Low</i>	<i>Moderate</i>	<i>Above Moderate</i>	<i>Total</i>
Units to be Constructed¹	1,436	1,436	1,653	1,981	5,126	11,632
Units to be Rehabilitated²	300				-	300
Units to be Conserved³	75			-	-	75

Source(s): City of Santa Clara, 2022

Notes:

1. Corresponds to RHNA units that potentially could be constructed using public and/or private sources over the planning period, given local land resources, constraints, and programs.
2. Number of existing income-restricted and unrestricted affordable units expected to be rehabilitated during the planning period.
3. Includes preservation of the 45 existing at-risk affordable housing units throughout the planning period (see Table 13.4-15) and additional affordable units that don’t have expiring affordability restrictions but are showing signs of potential financial distress.

* The quantified objectives for units to be rehabilitated and units to be conserved are supported by the following Actions in the Housing Plan: Action 3 Affordable Housing Incentives and Facilitation; Action 4 Maintenance of Housing Stock; Action 5 Preservation of Assisted Rental Housing; Action 6 Acquisition of Multi-Family Housing; Action 7 Code Enforcement Program; Action 8 Neighborhood Relations Program.

Goals and Policies	1
Implementing Actions.....	3
Quantified Objectives	28

List of Tables

Table 13.2-1: Quantified Objectives.....	28
--	----

Chapter 13.3

Affirmatively Furthering Fair Housing

Introduction and Overview of AB 686

In January 2017, Assembly Bill 686 (AB 686) introduced an obligation to affirmatively further fair housing (AFFH) into California state law. AB 686 defined “affirmatively further fair housing” to mean “taking meaningful actions, in addition to combat discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity” for persons of color, persons with disabilities, and other protected classes.

AB 686 requires that all housing elements prepared on or after January 1, 2021, assess fair housing. An assessment of fair housing must consider the elements and factors that cause, increase, contribute to, maintain, or perpetuate segregation, racially or ethnically concentrated areas of poverty, significant disparities in access to opportunity, and disproportionate housing needs.

This chapter will first identify conclusions drawn from the local knowledge summarized in Appendix A and from Chapter 13.4 Housing Needs Assessment. Next the analysis will assess fair housing issues using data and maps and analysis of the Housing Element site inventory. The chapter concludes with a prioritized list of contributing factors based on the above conclusions. Each contributing factor is thoroughly addressed by the Goals, Policies, and Actions of the Housing Plan in Chapter 13.2.



Local Knowledge:

Appendix A details the extensive outreach process that was conducted for this Housing Element and the feedback that was gathered. The following summarizes key themes that were noted from this local input:

- There is a clear need to build more extremely low and very low-income housing particularly for seniors, people with developmental disabilities, low wage workers, and large families to reduce housing cost burden, overcrowding, displacement, and to prevent homelessness.
- There is a need for more senior housing options that are based on actual incomes not Area Median Income.
- There is concern around rent gouging and high deposits which can lead to displacement.
- There is a need to monitor naturally occurring affordable housing and deed restricted housing that is at-risk of conversion or redevelopment.
- There is a need to prevent and reduce homelessness and its impacts in Santa Clara.
- Residents with disabilities are having trouble getting reasonable accommodations from housing providers, there is a need for more licensed care facilities, and there is a need for more housing choices in new affordable housing for persons with disabilities.
- There is a need to increase first-time homeowner opportunities and to provide more workforce housing for teachers, emergency responders, and nonprofit workers.
- Seniors and others with limited access to the internet need more assistance with searching and applying for affordable housing opportunities.
- There is a need to improve outreach about affordable housing opportunities for Hispanic/Latino, Chinese, Vietnamese, Filipino and possibly other residents who have limited English proficiency.
- There is a need for ongoing education on tenant and landlord rights given recent changes to state law.
- Access to clean air is a concern for residents living near freeways and expressways and in affordable housing without air conditioning given the increase in extreme heat and wildfire pollution.

Chapter 13.4 includes a housing needs analysis. The following summarizes key themes that were noted in that chapter:

- Since 2010, the percentage of Santa Clara's population that is White (Non-Hispanic/Latino) decreased by 4%, Hispanic/Latino decreased by 2% and Asian/Pacific Islander increased by 6%.
- Santa Clara's population is younger and higher income compared with the County
- Rents and home prices are higher in Santa Clara compared with the County

- Vacancy rates in Santa Clara are lower compared with the County, especially for larger housing units
- Santa Clara has a 1% higher rate of overcrowding compared with the County.
- Large households, Female Headed Households, and Elderly (65+ years) are three of the largest special needs groups in Santa Clara.
- Female-headed households in Santa Clara live in poverty at a much higher rate than all households living in poverty.
- The most common type of disability in Santa Clara was ambulatory followed by difficulty living independently.
- The number of residents with developmental disabilities age 62 and older is growing Countywide. As older adults live longer and as licensed care facilities close, there will be fewer care options for such adults unless new housing options are developed.
- There are insufficient shelter and transitional housing options for unhoused residents in Santa Clara and unsheltered homelessness has increased since 2019.
- Overcrowding affects renter households more.

Assessment of Fair Housing

The analysis must address patterns at a regional and local level and trends in patterns over time. This analysis compares the locality at a county level for the purposes of promoting more inclusive communities.

Sources of Information

- U.S. Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS) reports
- U.S. Census Bureau's Decennial Census (referred to as "Census") and American Community Survey (ACS)
- HCD's AFFH Data Viewer
- Local Knowledge

In addition, HCD has developed a statewide AFFH Data Viewer. The AFFH Data Viewer consists of map data layers from various data sources and provides options for addressing each of the components within the full scope of the assessment of fair housing. The data source and time frame used in the AFFH mapping tools may differ from the ACS data. While some data comparisons may have different time frames (often different by one year), the differences do not affect the identification of possible trends.

Fair Housing and Housing Resources

In addition to updating the Housing Element of the City of Santa Clara's General Plan, the jurisdiction has been participating in the regional Fair Housing Assessment being prepared for



SANTA CLARA HOUSING ELEMENT

the U.S. Department of Housing and Urban Development (HUD). The process has provided an initial framework for the local analysis of fair housing within the City and has been informed by additional demographic research and local knowledge that has supported the City's Housing Plan Goals, Policies, and Actions. Starting in the 5th cycle, the City has utilized "specific plans" as an effective means addressing housing needs within the context of fair housing, as the "specific plan" process is a public process utilizing community engagement, the City's Affordable Housing Ordinance, and increased densities to provide housing for a variety of income levels. "Specific plans" also allow for more complete communities that integrate market rate and affordable housing with park space and other amenities.

Additionally, based upon the AFFH analysis provided in this chapter, the process can be further enhanced by the application of this fair housing lens in the development of the City's Housing Plan to increase monitoring and enforcement, increased and deeper community outreach and engagement, additional attention to protected classes, and being proactive in addressing the root causes of housing disparity before they occur or become further entrenched. In light of the increased housing activity, the City has not experienced displacement as the "specific plan" areas are transitioning into mixed-use housing developments and not redeveloping existing housing stock. Nonetheless, the City has identified displacement as an issue to monitor and develop specific actions and policies in the Housing Plan, as part of the five focus areas previously mentioned in this chapter.

Even though the City relies heavily upon "specific plan" parcels to meet its RHNA, additional housing development is not exclusive to the parcels identified in the Housing Element. Additionally, engagement with the community on additional specific plan areas will continue as we prepare the jurisdiction for the 7th cycle Housing Element as the parcels identified in the Housing Element for housing development are located in or near Moderate to High Resources Areas, and not in areas of concentrated poverty. Further, the investment in and around "specific plan" areas and additional amenities in the Northern portion of the jurisdiction has resulted in a change from moderate to high resource. Additionally, the Northern portion of the jurisdiction contains approximately 74% of the units in the City's Sites Inventory. While most of these project areas are primarily in the Northern portion of the jurisdiction, housing development has taken place, and will continue to take place, throughout the jurisdiction. This is more evident in the distribution of permitted ADUs in the City, and general interest in the El Camino Real corridor, where the City is in the process of re-evaluating the proposed specific plan for that portion of the community.

Fair Housing Enforcement, Education and Outreach

Fair housing enforcement and outreach capacity refers to the ability of a locality and fair housing entities to disseminate information related to fair housing laws and rights and provide outreach and education to community members. Enforcement and outreach capacity also includes the ability to address compliance with fair housing laws, such as investigating complaints, obtaining remedies, and engaging in fair housing testing. The Fair Employment and Housing Act and the Unruh Civil Rights Act are the primary California fair housing laws. California state law extends anti-discrimination protections in housing to several classes that are not covered by the federal Fair Housing Act (FHA) of 1968, including prohibiting discrimination on the basis of sexual orientation. Table 13.3-1 below describes the Fair Housing service providers in Santa Clara County and the City of Santa Clara, including local housing, social, and legal services.

Table 13.3-1: Fair Housing Providers in Santa Clara County and Santa Clara

<i>Provider</i>	<i>Services</i>
Project Sentinel	Provides education and counseling to community members and housing providers about fair housing law. Investigates complaints and provides advocacy for those experiencing housing discrimination.
Bay Area Legal Aid	Largest civil legal aid provider serving seven Bay Area counties. Has a focus area in housing preservation and a homelessness task force to provide legal services and advocacy for those in need.
Law Foundation of Silicon Valley	Provides free legal advice and representation on housing matters to low-income families and individuals in Santa Clara County.
Senior Adults Legal Assistance	Non-profit elder law office supporting residents 60 years and older in Santa Clara County to live safely and independently. Attorneys provide legal services from advice and referrals to legal representation.
Asian Law Alliance	A non-profit providing equal access to the justice system for Asian and Pacific-Islander low-income populations in Silicon Valley. Providing legal counseling and language assistance for individuals seeking housing.

Source(s): City of Santa Clara, 2022

California's Department of Fair Employment and Housing (DFEH) has statutory mandates to protect the people of California from discrimination pursuant to the California Fair Employment and Housing Act (FEHA), Ralph Civil Rights Act, and Unruh Civil Rights Act (with regards to housing).



SANTA CLARA HOUSING ELEMENT

The FEHA prohibits discrimination and harassment on the basis of race, color, religion, sex (including pregnancy, childbirth, or related medical conditions), gender, gender identity, gender expression, sexual orientation, marital status, military or veteran status, national origin, ancestry, familial status, source of income, disability, and genetic information, or because another person perceives the tenant or applicant to have one or more of these characteristics.

The Ralph Civil Rights Act (Civ. Code, § 51.7) guarantees the right of all persons within California to be free from any violence, or intimidation by threat of violence, committed against their persons or property because of political affiliation, or on account of sex, race, color, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, sexual orientation, citizenship, primary language, immigration status, or position in a labor dispute, or because another person perceives them to have one or more of these characteristics.

The Unruh Civil Rights Act (Civ. Code, § 51) prohibits business establishments in California from discriminating in the provision of services, accommodations, advantages, facilities and privileges to clients, patrons and customers because of their sex, race, color, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, sexual orientation, citizenship, primary language, or immigration status.

Table 13.3-2: Number of DFEH Housing Complaints in Santa Clara County (2020)

<i>Year</i>	<i>Housing</i>	<i>Unruh Civil Rights Act</i>
2015	73	8
2016	52	7
2017	33	22
2018	28	14
2019	28	14
2020	33	10

Source(s): <https://www.dfeh.ca.gov/LegalRecords/?content=reports#reportsBody>

Table 13.3-3 summarizes fair housing cases filed by the federal Office of Fair Housing and Equal Opportunity Housing in Santa Clara County. The table indicates that discrimination cases based on disability were by far the most common followed by race, and familial status (households with at least one child under 18).

Table 13.3-3: Number of FHEO Filed Cases by Protected Class in Santa Clara County (2015–2020)

<i>Year</i>	<i>Number of Filed Cases</i>	<i>Disability</i>	<i>Race</i>	<i>National Origin</i>	<i>Sex</i>	<i>Familial Status</i>
2015	53	26	20	6	6	8
2016	40	22	3	7	1	11
2017	31	16	4	3	4	7
2018	36	21	5	6	4	3
2019	38	23	7	1	2	7
2020	16	7	7	2	2	2
Total	214	115	46	25	19	38
Percentage of Total Filed Cases						
*Note that cases may be filed on more than one basis.		53.7%	21.5%	11.6%	8.8%	17.7%

Source(s): Data.Gov - Department of Housing and Urban Development Office of Fair Housing and Equal Opportunity (FHEO) Filed Cases, <https://catalog.data.gov/dataset/fheo-filed-cases>

The City funds fair housing education, investigation, enforcement, and outreach annually. In program year 2020, the area non-profit Project Sentinel received \$20,000 of local funds for the provision of fair housing services. Project Sentinel provides comprehensive fair housing services including investigation, counseling, referral, and education designed to reduce the incidence of illegal discrimination in housing. In program year 2020, the agency assisted 31 individuals and conducted landlord/tenant mediation assisting 336 households, along with outreach activities to residents, service providers, and housing providers through education and information sessions on fair housing law and Project Sentinel's services.

Services that were not provided include (2.) Case tested by phone; (4.) Case referred to HUD and (8.) Case accepted for full representation. The most common action(s) taken/services provided are providing clients with counseling, followed by sending testers for investigation, and conciliation with landlords. Regardless of actions taken or services provided, almost 45% of cases are found to have insufficient evidence. Only about 12% of all cases resulted in successful mediation.

The City of Santa Clara complies with all State and federal fair housing laws and regulations and is not aware of any fair housing findings, lawsuits, enforcement actions, settlements, or judgements.

Fair Housing Testing

Fair housing testing is a randomized audit of property owners' compliance with local, state, and federal fair housing laws. Initiated by the Department of Justice's Civil Rights Division in 1991, fair housing testing involves the use of an individual or individuals who pose as prospective



SANTA CLARA HOUSING ELEMENT

renters for the purpose of determining whether a landlord is complying with local, state, and federal fair housing laws.

California Department of Fair Employment and Housing (DFEH)

Residents may submit complaints to the DFEH, which is the statewide agency that enforces fair housing laws. The DFEH will investigate and determine whether or not the complainant has a right to sue. In 2018, DFEH received over 600 complaints from residents of Santa Clara County.

Assessment of Fair Housing Issues

The following analysis will use data and maps to analyze patterns of segregation, racial or ethnic concentrations of poverty, disparities in access to opportunity, and disproportionate housing needs. The City's land use and development patterns have created three distinct areas to help focus this discussion. These areas will be referenced throughout the assessment:

Northern Santa Clara: Highway 237 south to Highway 101: Northern Santa Clara is a mix of industrial, office, residential, and has several large specific plan areas where new residential and mixed-use neighborhoods are beginning to take shape as industrial areas are converted.

Central Santa Clara: Highway 101 south to the Union Pacific railroad tracks. Central Santa Clara has been historically industrial with very few residential areas. Three large, mostly market-rate, residential projects have recently been approved in this area: Lawrence Station Area Plan, Santa Clara Square, and Gateway Crossings. In addition to these, a small pocket of older single family, duplex, and apartments is located north of the railroad tracks on the west side of Lafayette Street.

Southern Santa Clara: Union Pacific railroad tracks south to Stevens Creek Boulevard. The southern part of Santa Clara historically has been composed of older single-family neighborhoods, Santa Clara University, and the El Camino Real and Steven's Creek commercial corridors.

Race/Ethnicity

Segregation is defined as the separation or isolation of a race/ethnic group, national origin group, individuals with disabilities, or other social group by enforced or voluntary residence in a restricted area, by barriers to social connection or dealings between persons or groups, by separate educational facilities, or by other discriminatory means.

To measure segregation in a given jurisdiction, the US Department of Housing and Urban Development (HUD) provides racial or ethnic dissimilarity trends. Dissimilarity indices are used to measure the evenness with which two groups (frequently defined on racial or ethnic characteristics) are distributed across geographic units, such as block groups within a

community. The index ranges from 0 to 100, with 0 meaning no segregation and 100 indicating complete segregation between the two groups. The index score can be understood as the percentage of one of the two groups that would need to move to produce an even distribution of racial/ethnic groups within the specified area. For example, if an index score is above 60, 60 percent of people in the specified area would need to move to eliminate segregation.

The following shows how HUD views various levels of the index:

- <40: Low Segregation
- 40-54: Moderate Segregation
- >55: High Segregation

Ethnic and racial composition of a region is useful in analyzing housing demand and any related fair housing concerns as it tends to demonstrate a relationship with other characteristics such as household size, locational preferences, and mobility. Prior studies have identified socioeconomic status, generational care needs, and cultural preferences as factors associated with “doubling up”—households with extended family members and non-kin. These factors have also been associated with ethnicity and race. Other studies have also found that minorities tend to congregate in metropolitan areas, though their mobility trend predictions are complicated by economic status (minorities moving to the suburbs when they achieve middle class) or immigration status (recent immigrants tend to stay in metro areas/ports of entry).

Regional Trends

Santa Clara County is a large, diverse jurisdiction where people of color represent a majority of the population. As of the 2019 census, 36 percent of residents were Asian, 31.5 percent of residents with non-Hispanic White, followed by Hispanic or Latino residents at 25 percent. The complete racial breakdown for the County can be seen in Table 13.3-5.

While overall rates of segregation in the County are moderate, rates have been growing since the 1990s. The most segregated group has consistently been Hispanic residents with an index score of 48.57 in 2010, up from 44.97 in 1990. The next most segregated group is Black residents with a 2010 index score of 47.67 up from 43.86 in 1990. This is followed by Asian residents with a 2010 index score of 30.21 up from 25.33 in 1990. Overall, in 2010, non-white and white residents had an index score of 31.5 which is considered low segregation, although this is up from 1990 when the score was 28.67.

Figure 13.3-1 geographically displays the percentage of the non-White population in the County. The higher percentage of non-White populations are concentrated around San Jose, Milpitas, Santa Clara, and Cupertino. In these areas, the non-White population percentage is as high as 61 to 80 percent. The largest racial group in the County is made up of Asian residents (36 percent), followed by White, non-Hispanic residents (31.5 percent), and Hispanic or Latino residents (25 percent).



SANTA CLARA
HOUSING ELEMENT

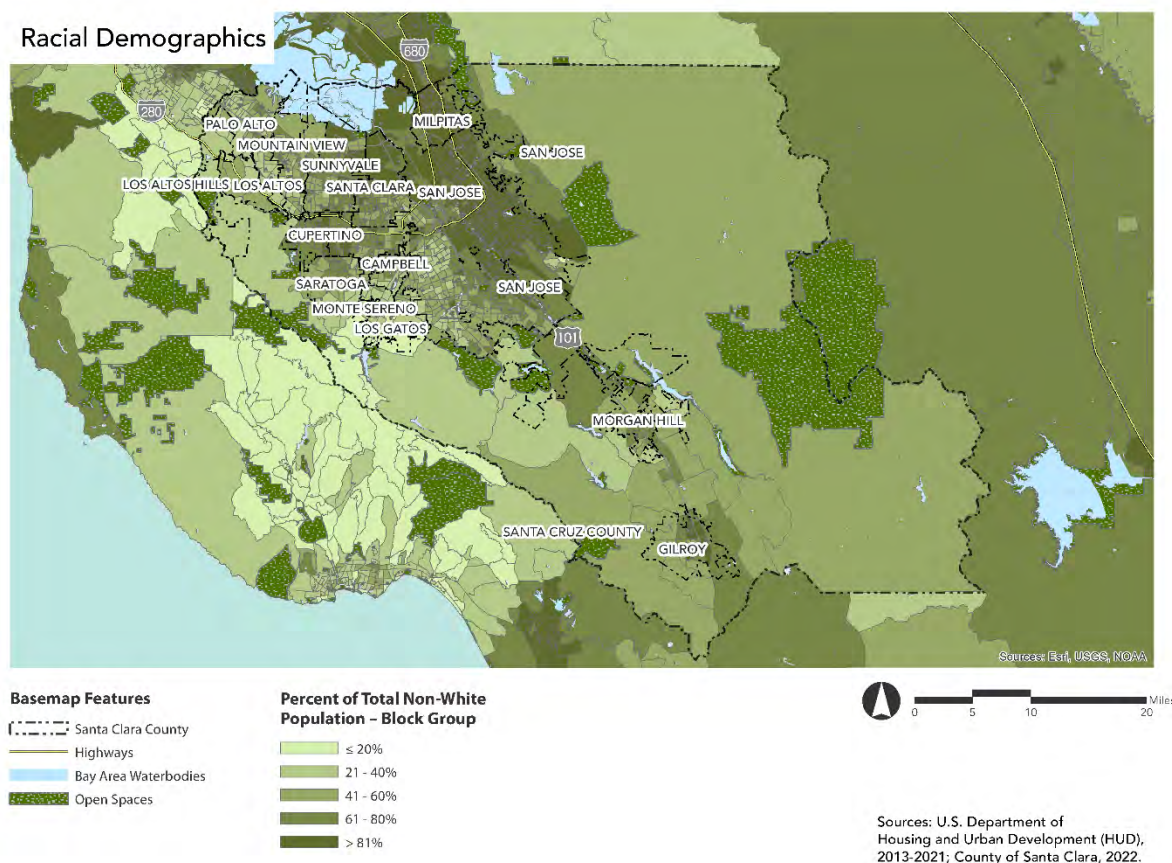
Table 13.3-4: Racial/Ethnic Dissimilarity Trends (1990–2020)

<i>Dissimilarity Index</i>	<i>Santa Clara County</i>			
	<i>1990 Trend</i>	<i>2000 Trend</i>	<i>2010 Trend</i>	<i>Current (2020 Census Block Group)</i>
Non-White/White	28.67	28.49	27.28	31.50
Black/White	43.86	41.59	41.88	47.67
Hispanic/White	44.97	46.52	46.26	48.57
Asian or Pacific Islander/White	25.33	26.68	25.6	30.21

Source(s): HUD's Affirmatively Furthering Fair Housing Tool (AFFH-T), Table 13.3-5 – Racial/Ethnic Dissimilarity Trends, Data version: AFFHT006, released July 10th, 2020.

Note: Table 13.3-4 presents Decennial Census values for 1990, 2000, 2010, all calculated by HUD using census tracts as the area of measurement. The "current" figure is calculated using block groups from the 2010 Decennial Census, because block groups can measure segregation at a finer grain than census tracts due to their smaller geographies. See https://www.hud.gov/program_offices/fair_housing_equal_oppl/affh for more information.

FIGURE 13.3-1: REGIONAL RACIAL DEMOGRAPHICS (2021)



Local Trends

The demographics of Santa Clara are somewhat reflective of the County as a whole. The largest racial group in Santa Clara is Asian, Non-Hispanic at 43 percent which is also the largest racial group in the County. White, Non-Hispanic residents make up the second largest group in both the City and County at 31.5 percent. The largest difference in racial group between Santa Clara and the County is with Hispanic residents. In the County, Hispanic residents make up 25 percent of the population, while in the City they make up 17.3 percent.

Table 13.3-5: Racial Composition Santa Clara County and Santa Clara (2019)

	<i>Santa Clara County</i>	<i>Santa Clara</i>
White, non-Hispanic	31.5%	31.5%
Black or African American, non-Hispanic	2.3%	3%
American Indian and Alaska Native, non-Hispanic	0.2%	0.1%
Asian, non-Hispanic	36%	43%



SANTA CLARA
HOUSING ELEMENT

Table 13.3-5: Racial Composition Santa Clara County and Santa Clara (2019)

	<i>Santa Clara County</i>	<i>Santa Clara</i>
Native Hawaiian and Other Pacific Islander, non-Hispanic	0.3%	0.6%
Some other race, non-Hispanic	0.2%	0.2%
Two or more races, non-Hispanic	3.5%	4%
Hispanic or Latino	25%	17.3%

Source(s): American Community Survey, 2015-2019

Table 13.3-6 below provides the dissimilarity index values indicating the level of segregation in Santa Clara between white residents and residents who are Black, Hispanic, or Asian/Pacific Islander. The table also provides the dissimilarity index between white residents and all residents of color in the City, and all dissimilarity index values are shown across three time periods (2000, 2010, and 2020).

In the City of Santa Clara racial and ethnic integration trends are less segregated than County trends in 2020. The highest segregation in the City is between Asian or Pacific Islander and white residents. Santa Clara's Asian or Pacific Islander / white dissimilarity index means that 22.8% of Asian (or white) residents would need to move to a different neighborhood to create perfect integration between Asian or Pacific Islander residents and white residents.

For context and comparison, the Santa Clara County column provides the dissimilarity index values for these racial group pairings in 2020.

Table 13.3-6: Racial/Ethnic Dissimilarity Trends within Santa Clara

<i>Dissimilarity Index</i>	<i>Santa Clara County</i>	<i>Santa Clara</i>		
	<i>2020</i>	<i>2000</i>	<i>2010</i>	<i>2020</i>
Non-White/White	31.5	22.9	23.7	18.9
Black/White	47.67	19.9	21.0	22.3
Hispanic/White	48.57	21.2	21.1	17.7
Asian or Pacific Islander/White	30.21	27.6	28.6	22.8

Source(s): IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Note: If a number is marked with an asterisk (*), it indicates that the index is based on a racial group making up less than 5 percent of the jurisdiction population, leading to unreliable numbers.

Within Santa Clara there are some notable geographic differences in racial demographics. The northern and central areas of Santa Clara have a non-white population between 61 to 80 percent.

In the northern part of the city there are a few tracts where this percentage drops to 41 to 60 percent. The southern part of the city has a patchwork pattern of tracts with non-White groups between 21 to 40 percent and 41 to 60 percent. There are a few tracts where this percentage goes as low as 20 percent and below, or as high as 61 to 80 percent, but these are just small pockets.

Figure 13.3-2 further indicates that the southern portion of the City has a lower percentage of non-white residents than the central and northern areas. Figure 13.3-3 shows more detail on how specific racial and ethnic groups are concentrated in Santa Clara. This map shows that residents that identify as Asian alone (not Hispanic/Latino) are the predominant group through most of northern, central, and southern Santa Clara with the exception of south east Santa Clara which is predominantly white alone (not Hispanic/Latino).

Central Santa Clara, has a mix of mostly Asian/Pacific Islander, White, and Hispanic/Latino residents. Upon closer analysis, census tract 5052.02 has a disproportionate number of Hispanic/Latino residents (25% Hispanic/Latino residents compared to the citywide proportion of only 17%). The area is 38.6% Asian/Pacific Islander but the citywide proportion for those groups combined is 44%. This suggests a need to conduct outreach in Spanish as well as other languages. .

FIGURE 13.3-2: RACIAL DEMOGRAPHICS OF SANTA CLARA (2021)

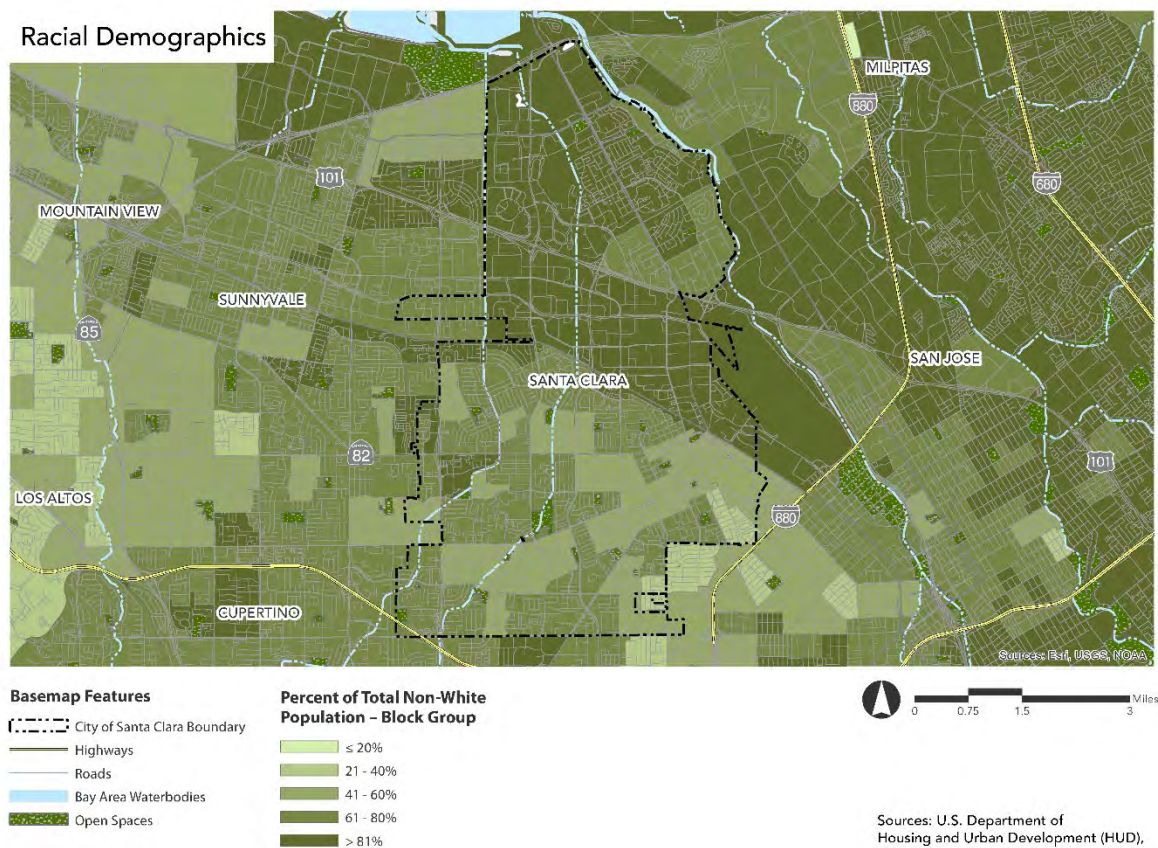
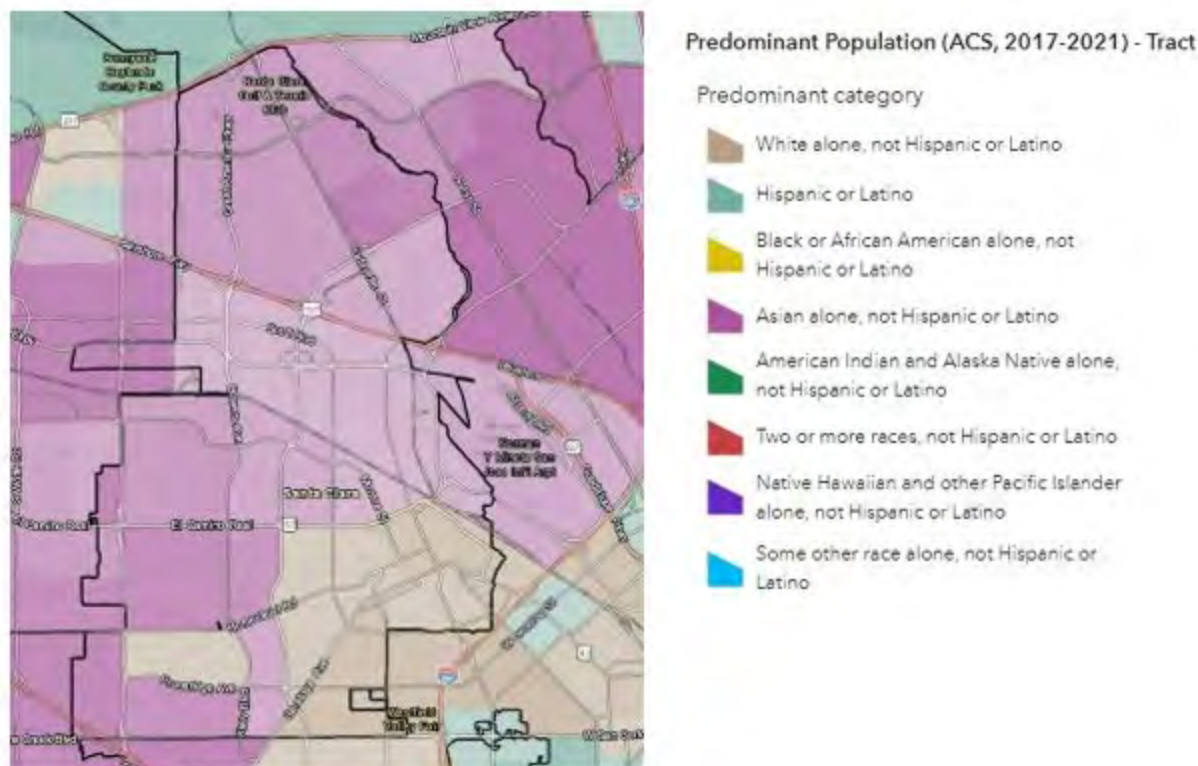




FIGURE 13.3-3: PREDOMINANT POPULATION OF SANTA CLARA (2017-2021)



Source: HCD AFFH 2.0 Data Viewer (May 2023).

Note: The intensity of the color corresponds with the percentage of the predominant population compared to the total population of the Census Tract (i.e., darker colors represent a greater percentage).

Overall, according to the 2022 ABAG isolation interactive maps and reports, racial isolation in the City is low for White, Hispanic or Latino, and non-Hispanic and Black or African American populations, and high for Asian or Pacific Islander segments (Table 13.3-7).

Table 13.3-7: Racial Isolation Index Values for Segregation within Santa Clara

Race	Santa Clara		
	2000	2010	2020
Asian/Pacific Islander	34.0	43.4	50.4
White	51.8	40.1	30.9
Hispanic/Latino	18.5	23.2	20.4
Black/African American	2.4	2.7	2.5

Source(s): IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Another approach to measuring segregation employs the Divergence Index, which measures the difference between the overall population of a group in a region and the proportion of each group in a local area within that region. The Divergence Index provides a single measure of segregation for multiple racial groups. This index ranges between 0 (no segregation) to 1 (complete segregation) with low segregation (less than approximately 0.11), high segregation (above approximately 0.21), with moderate segregation levels in between.

According to a November 18, 2020 report (updated in October 11, 2021) by the Othering and Belonging Institute at UC Berkeley, the City of Santa Clara, with an inter-municipal divergence index score of 0.0592, is one of the most diverse and integrated cities in the Bay Area.

Table 13.3-8 shows the Divergence Index scores for cities/towns in Santa Clara County and their corresponding level of segregation.

Table 13.3-8: Divergence Index Scores within Santa Clara County

<i>Cities/Towns</i>	<i>Inter-Municipal Divergence</i>	<i>Level of Segregation</i>
Mountain View	0.0249	Low
Campbell	0.0467	Low
Santa Clara	0.0592	Low
San Jose	0.0676	Low
Sunnyvale	0.0923	Low
Morgan Hill	0.1054	Low
Palo Alto	0.1551	Moderate
Los Altos	0.2453	High
Saratoga	0.2573	High
Los Altos Hills	0.2632	High
Los Gatos	0.2673	High
Monte Sereno	0.2919	High
Gilroy	0.3196	High
Milpitas	0.3645	High
Cupertino	0.4294	High

Source: "The Most Segregated (and Integrated) Cities in the SF Bay Area". The Othering and Belonging Institute UC Berkeley. November 18, 2020 (updated October 11, 2021).

Central Santa Clara has higher areas of low to moderate income levels (LMI) (Figure 13.3-12). Central Santa Clara overlaps with LMI levels of 50 to 75 percent. There is a census tract in northern Santa Clara where LMI levels are between 75 to 100 percent. Central Santa Clara also overlaps with lower household incomes (\$87,000) compared to the rest of the city (Figure 13.3-20). These lower incomes likely contribute to the higher rates of overpayment by renters in central Santa



SANTA CLARA HOUSING ELEMENT

Clara (40 to 60 percent) (Figure 13.3-40). Central Santa Clara is also identified as a low resource area using the TCAC scoring system (Figure 13.3-22) which considers economic, educational, and environmental factors. Lastly, CalEnviroScreen scores in Central Santa Clara are between 50 to 74 percent which indicate less healthy conditions (Figure 13.3-36).

Historic Context

Although the City of Santa Clara is a racially diverse community with relatively low levels of segregation, there are only small numbers of African American residents, both in the City of Santa Clara and in the county as a whole. This is a result of systemic racism in private lending practices, federal loan guarantees, and local zoning and infrastructure decisions in the postwar years, as documented in the book, “The Color of Law” by Richard Rothstein. Among other examples, the book documents the efforts of Ford workers and their union to get housing built for African American workers at the Milpitas Ford Plant in the 1950s.

After the Ford workers discovered that no Milpitas-area developers would sell homes to African Americans, they enlisted the help of a Quaker service group devoted to racial equity who helped find a willing lender to fund an integrated subdivision in unincorporated Mountain View, and is described in the excerpt from Rothstein’s book below:

“But when the builder's intent to sell both to blacks and whites became known, the Santa Clara Board of Supervisors rezoned the site from residential to industrial use. When he found a second plot, Mountain View officials told him that they would never grant the necessary approvals. He next identified a third tract of land in another town near the Ford plant; when officials discovered that the project would not be segregated, the town adopted a new zoning law increasing the minimum lot size from 6,000 to 8,000 square feet, making the project unfeasible for working class buyers. After he attempted to develop a fourth site on which he had an option, the seller of the land canceled the option upon learning that the project would be integrated. At that point, the builder gave up.”
(The Color of Law, p. 117)

The effects of those discriminatory practices and decisions linger on, both in Milpitas, and in Santa Clara County generally. Additionally, Rothstein continues to describe that “Milpitas is no longer all white - it now has many Hispanic and Asian families - but the effects of its earlier segregation remain visible: African Americans make up only 2 percent of the population.” (The Color of Law, p. 121)

The City of Santa Clara has a similar history in the sense that today’s Santa Clara is well-integrated and does not include a majority of any race or ethnicity. However, during the 1960 census, when the City’s population exploded to 58,800, up from 11,702 in 1950, the City gained less than a thousand non-white residents, and remained 98% white. The City, which was

originally focused around downtown, Santa Clara University and the train station, initially added housing after World War II to the south of downtown. This was during the time that racial covenants and discriminatory lending practices were in full effect. Those neighborhoods south of downtown still have a significantly higher proportion of white residents (likely original purchasers of housing or their children) than other parts of Santa Clara.

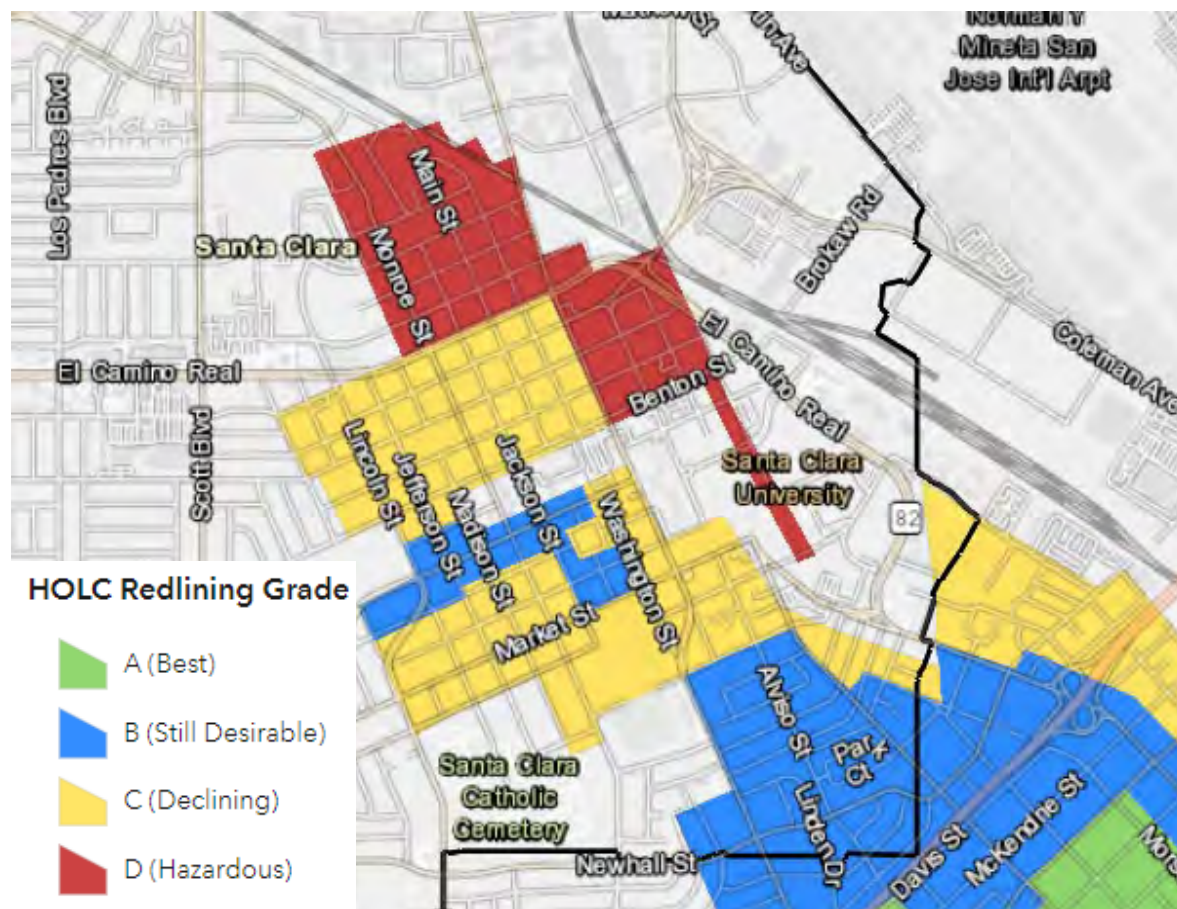
More recently developed neighborhoods have been added to the north of Highway 101 and are more reflective of the City's diversity.

In the 1930s and 1940s, a federal agency called the Home Owners' Loan Corporation (HOLC), created maps of nearly 250 American cities, grading neighborhoods on a scale of A (Best) to D (Hazardous) for purposes of providing loan officers, appraisers, and real estate professionals with a tool for evaluating mortgage lending risk. Neighborhoods of color were far more likely to receive D or C grades with A or B grades reserved for white neighborhoods. Neighborhoods with a D (Hazardous) grade were often "redlined" by lending institutions, denying them access to credit, particularly mortgages.

The following figure shows HOLC redlining grades from 1937 indicating that portions of Santa Clara's Old Quad neighborhood to the north and south of El Camino Real were assigned either "(D) Hazardous" or "(C) Declining" grades.



FIGURE 13.3-4: HOLC REDLINING MAP (1937)



Source: HCD AFFH 2.0 Data Viewer HOLC Redlining Grade (University of Richmond, 2021)

Many of the same blocks that were categorized as declining or hazardous in 1937 have elevated levels of low and moderate income (LMI) households today as shown later in this chapter in Figure 13.3-12.

Persons with Disabilities

In 1988, Congress added protections against housing discrimination for persons with disabilities through the FHA, which protects against intentional discrimination and unjustified policies and practices with disproportionate effects. The FHA also includes the following unique provisions to persons with disabilities: (1) prohibits the denial of requests for reasonable accommodations for persons with disabilities, if necessary, to afford an individual equal opportunity to use and enjoy a dwelling; and (2) prohibits the denial of reasonable modification requests. With regards to fair housing, persons with disabilities have special housing needs because of the lack of accessible and affordable housing, and the higher health costs associated with their disability. In addition, many may be on fixed incomes that further limit their housing options.

Regional Trends

According to the 2015-2019 American Community Survey (ACS) 5-year estimates, 154,212 residents (eight percent of Santa Clara County's population) report having one of six disability types listed in the ACS (hearing, cognitive, ambulatory, self-care, and independent living). The percentage of residents detailed by disability are listed in Table 13.3-9. In both Santa Clara County and the City of Santa Clara, the percentage of individuals with disabilities increases with age, with the highest percentage of individuals being those 75 years or older.

In Santa Clara, seven percent of the population experiences a disability. This rate is slightly lower than that of the County. The disability rate is highest among residents who identify as White (not Hispanic or Latino) (11.4 percent) and Hispanic or Latino (of any race) (7.7 percent). In the County, the highest percentage of disabled residents by race is among American Indian and Alaska Native residents (14.4 percent) and Black or African American residents (10.7 percent). In Santa Clara, the most common disability is an ambulatory difficulty (3.6 percent) followed by an independent living difficulty (3.3 percent). In the County the same trend follows, the most common disability is those with an independent living difficulty (4.5 percent) followed by an ambulatory difficulty (4.4 percent)

Table 13.3-9: Populations of Persons with Disabilities– Santa Clara County & Santa Clara

	<i>Santa Clara County Percent with a Disability</i>	<i>Santa Clara Percent with a Disability</i>
Civilian non-institutionalized population	8%	7%
Race/ Ethnicity		
Black or African American alone	10.7%	7.5%
American Indian and Alaska Native alone	14.4%	2.9%
Asian alone	6.2%	3.8%
Native Hawaiian and Other Pacific Islander alone	9.4%	6.7%
Some other race alone	6.7%	5.4%
Two or more races	7%	6.1%
White alone, not Hispanic or Latino	10.6%	11.4%
Hispanic or Latino (of any race)	7.5%	7.7%
Age		
Under 5 years	0.7%	1.2%
5 to 17 years	3.1%	3.7%
18 to 34 years	3.9%	2.7%
35 to 64 years	6.2%	5.9%
65 to 74 years	18.2%	18.1%
75 years and over	48%	47.1%
Type		
Hearing difficulty	2.3%	2.1%



SANTA CLARA
HOUSING ELEMENT

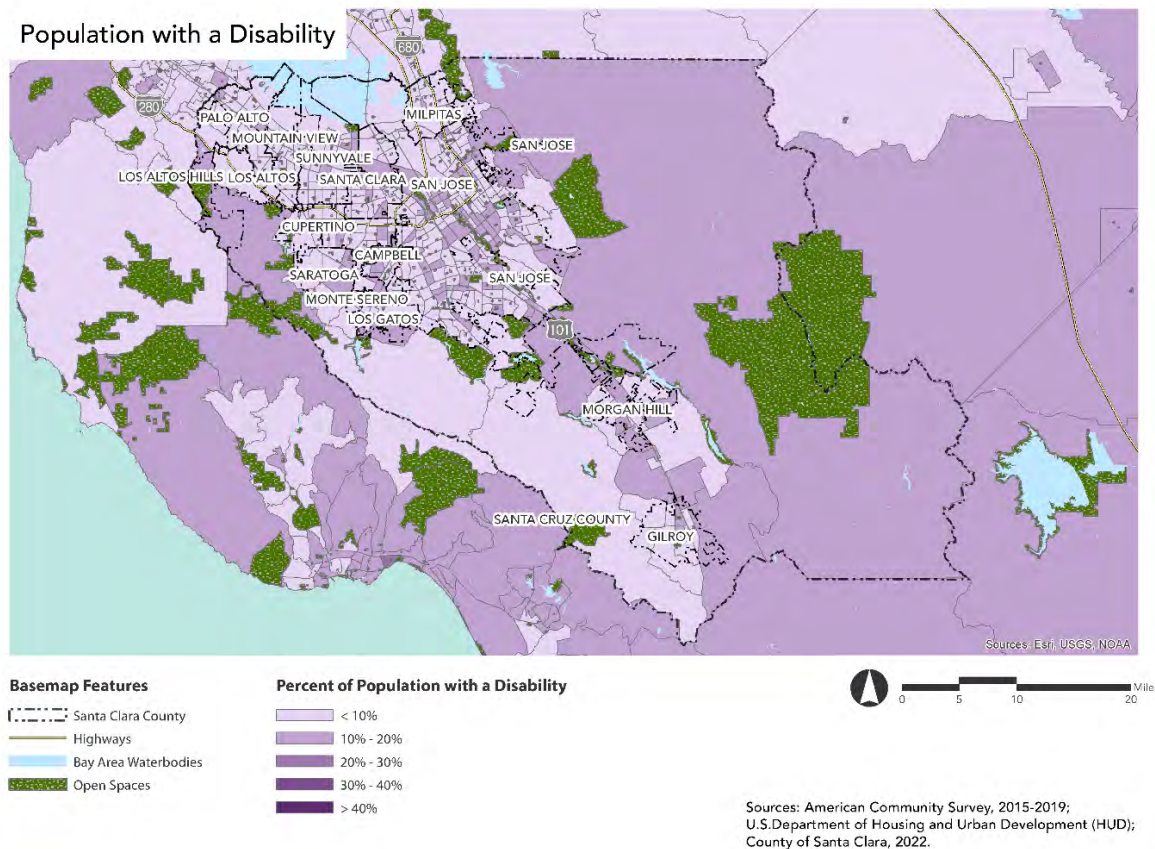
Table 13.3-9: Populations of Persons with Disabilities– Santa Clara County & Santa Clara

	<i>Santa Clara County Percent with a Disability</i>	<i>Santa Clara Percent with a Disability</i>
Vision difficulty	1.4%	1.2%
Cognitive difficulty	3.3%	2.7%
Ambulatory difficulty	4.4%	3.6%
Self-care difficulty	2.1%	1.6%
Independent living difficulty	4.5%	3.3%

Source(s): 2019 ACS 5-year Estimates, Table S1810

In terms of geographic dispersal, there is a patchwork pattern of persons with a disability throughout the County. There does appear to be a concentration of persons with disabilities within San Jose and expanding out to Santa Clara and Campbell. These areas of concentration have percentages of the population experiencing disabilities at 10 to 20 percent. The cities of Milpitas, Sunnyvale, Mountain View, and Palo Alto appear to have fewer tracts where residents experience disabilities above 10 percent. Nowhere in the County does the percentage of residents experiencing a disability exceed 20 percent.

FIGURE 13.3-5: REGIONAL POPULATIONS OF PERSONS WITH DISABILITIES BY TRACT (2019)



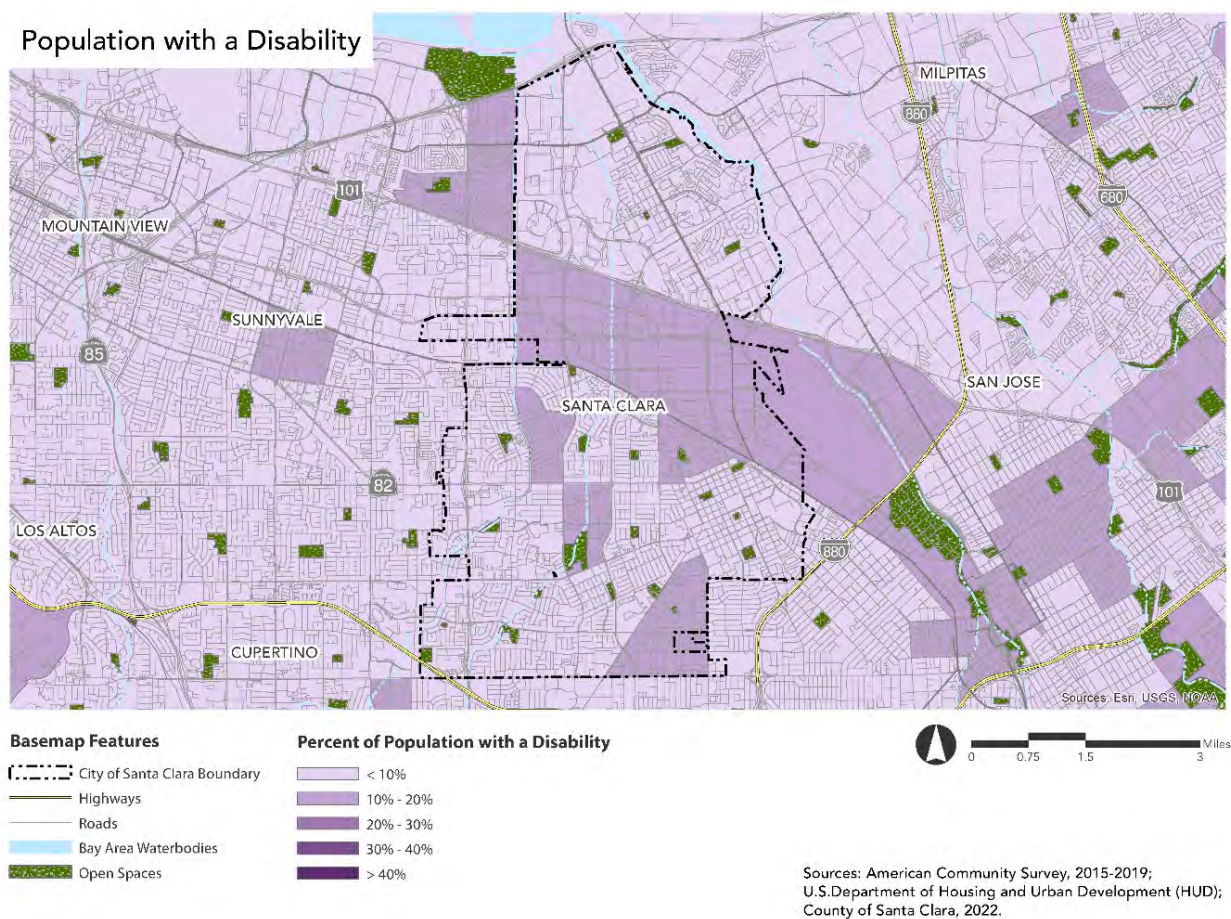
Local Trends

Within Santa Clara there is a concentration of residents with a disability between 10 to 20 percent in the central part of the city. In the northern part of the city fewer than 10 percent of residents experience a disability. In the southern part of the city there are concentrations where the percentage of residents experiencing a disability rises above 10 percent. The higher rates of poverty in central Santa Clara overlap with higher rates of Low to Moderate Income populations (50 to 75 percent) (Figure 13.3-12). This low rate of residents with disabilities may be explained in part by the young age of Santa Clara residents. According to 2019 ACS data, only 11.4 percent of residents in Santa Clara are 65 and above while 50 percent of residents are between 15 and 44 years old. Comparing rates to the nearby cities of Mountain View, Sunnyvale, and Milpitas these cities have fewer geographic areas where the population experiencing a disability is between 10 to 20 percent.



SANTA CLARA HOUSING ELEMENT

FIGURE 13.3-6: PERCENT OF POPULATION WITH A DISABILITY – SANTA CLARA (2021)



The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The tables below show the population in Santa Clara County and Santa Clara with developmental disabilities by age (Table 13.3-10) and the population of adults with developmental disabilities by residence (Table 13.3-11).

Table 13.3-10: Population with Developmental Disabilities by Age

Age Group	Santa Clara County	Santa Clara
Under 18	4,016 (37%)	204 (33%)
18 and Older	6,737 (63%)	408 (67%)
Total	10,753	612

Sources: County-California Department of Developmental Services, Consumer Count by ZIP Code and Age Group (2020).
Santa Clara-San Andreas Regional Center (November 2021)

Table 13.3-11: Adults with Developmental Disabilities by Residence

<i>Residence Type</i>	<i>Santa Clara County</i>	<i>Santa Clara</i>
Home of Parent / Family / Guardian	4,362 (65%)	269 (66%)
Community Care Facility	1,525 (23%)	69 (17%)
Independent / Supported Living	756 (11%)	66 (16%)
Other (includes homeless)	94 (1%)	4 (1%)
Total	6,737	408

*Source: County-California Department of Developmental Services, Consumer Count by ZIP Code and Residence Type (2020)
Santa Clara-San Andreas Regional Center (November 2021).*

Approximately 67 percent of Santa Clara's population with developmental disabilities are adults.

Throughout Santa Clara County, according to California Department of Development Services estimates, there has been a 20 percent increase in the adult population with developmental disabilities between 2015-2021. For that same timeframe, the number of Santa Clara County residents with development disabilities age 62 and older grew by 35 percent.

The preferred living option for children with developmental disabilities continues to be the family home, but as those children become adults, additional residential options outside the family home will be required.

In summary, Santa Clara has a slightly lower percentage of persons with disability compared with the County. The racial and ethnic groups with the highest percentage of disability in Santa Clara are white (not Hispanic or Latino) and Hispanic/Latino. There are higher concentrations of persons with disabilities living in Central Santa Clara and selected areas in Southern Santa Clara. There is likely a need to create more supportive and accessible multifamily housing opportunities for this subpopulation as the development of single-story homes is less likely given the limited supply and high cost of land.

Familial Status

Under the Fair Housing Act, housing providers may not discriminate because of familial status. Familial status covers the presence of children under the age of 18, pregnant persons, and any person in the process of securing legal custody of a minor child (including adoptive or foster parents). Examples of familial status discrimination include refusing to rent to families with children, evicting families once a child joins the family (through, e.g., birth, adoption, custody), or requiring families with children to live on specific floors or in specific buildings or areas. Single parent households are also protected by fair housing law.

Families with children often have special housing needs due to lower per capita income, the need for affordable childcare, the need for affordable housing, or the need for larger units with three or more bedrooms. Single parent households are also protected by fair housing law. Female-headed households are of particular consideration as they may experience greater housing affordability challenges due to typically lower household incomes compared to two-parent



SANTA CLARA HOUSING ELEMENT

households. Often, sex and familial status intersect to compound the discrimination faced by single mothers.

Regional Trends

In Santa Clara County, 27 percent of households have children under the age of 18. Within the County, the cities of Sunnyvale, Palo Alto, and San Jose have the highest percentages of households with children (28.6, 27.1, and 26.2 percent, respectively). Across all the cities listed below in Santa Clara County, there are higher percentages of single-parent female households than single-parent male households. Within the County, Palo Alto and San Jose have the highest percentages of single-parent female households (both 3.8 percent). While single-parent male households have a lower percentage overall, the cities of Palo Alto, San Jose, and Santa Clara have the highest percentages of single-parent male households (1.8, 1.2, and 1.2 percent respectively).

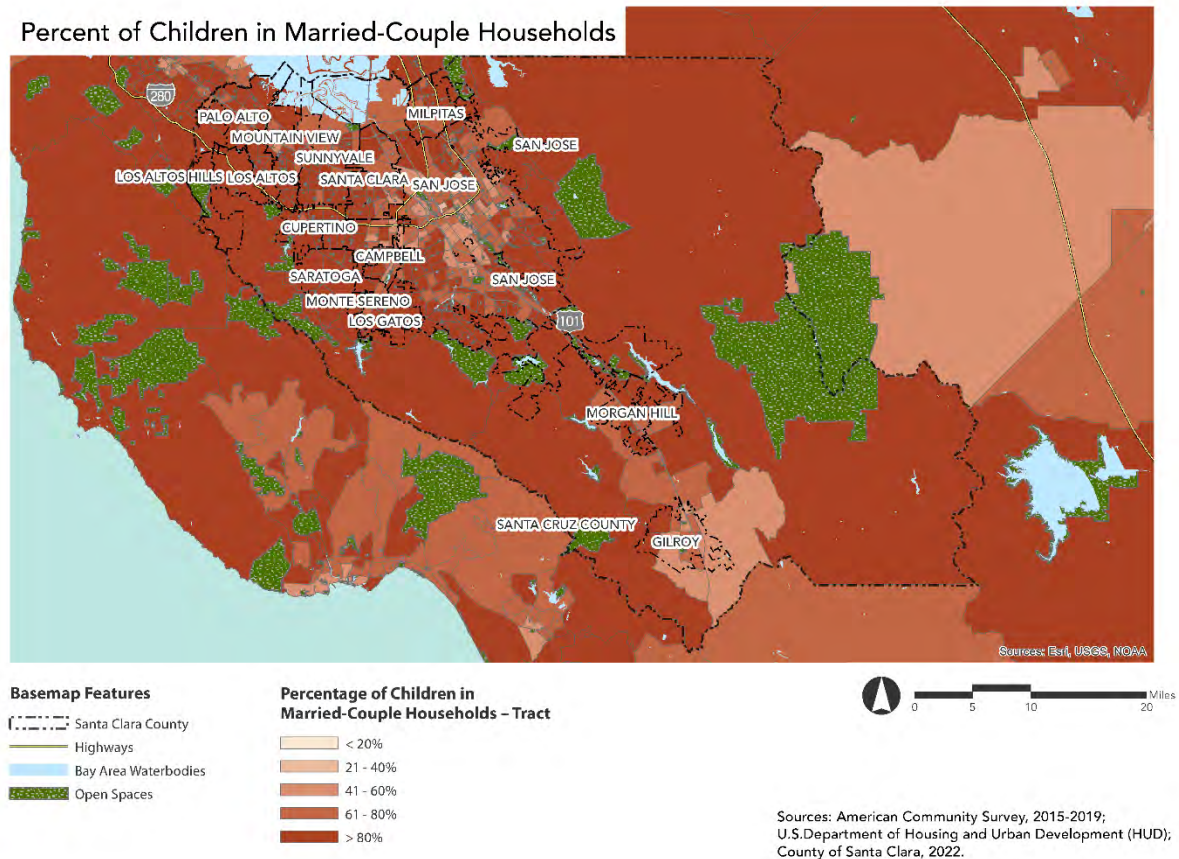
Table 13.3-12: Households with Children in Santa Clara County and Incorporated Cities

	<i>Santa Clara County</i>	<i>Santa Clara</i>	<i>San Jose</i>	<i>Sunnyvale</i>	<i>Palo Alto</i>	<i>Mountain View</i>
Married Couple with Children	27%	26.1%	26.2%	28.6%	27.1%	20.9%
Single-Parent, Male	1.1%	1.2%	1.2%	0.8%	1.8%	0.9%
Single-Parent, Female	3.3%	2.2%	3.8%	1.8%	3.8%	2.7%

Source(s): American Community Survey, 2015-2019 (5-Year Estimates), Table DP02

Figure 13.3-7 visualizes the variety of percentages of children in Santa Clara County living in married-couple households. San Jose has the largest variety with some areas showing below 20 percent of married-couple households with children and other areas showing above 80 percent of married-couple households with children. This lower percentage is concentrated around central San Jose and gets higher as the map moves out. Cities like Palo Alto, Los Altos, Cupertino, and Saratoga along the western part of the County show some of the highest rates of married-couple households with children. Gilroy is another area showing low rates of married-couple households with children (between 21 to 40 percent).

FIGURE 13.3-7: REGIONAL PERCENTAGE OF CHILDREN IN MARRIED-COUPLE HOUSEHOLDS BY TRACTS (2019)



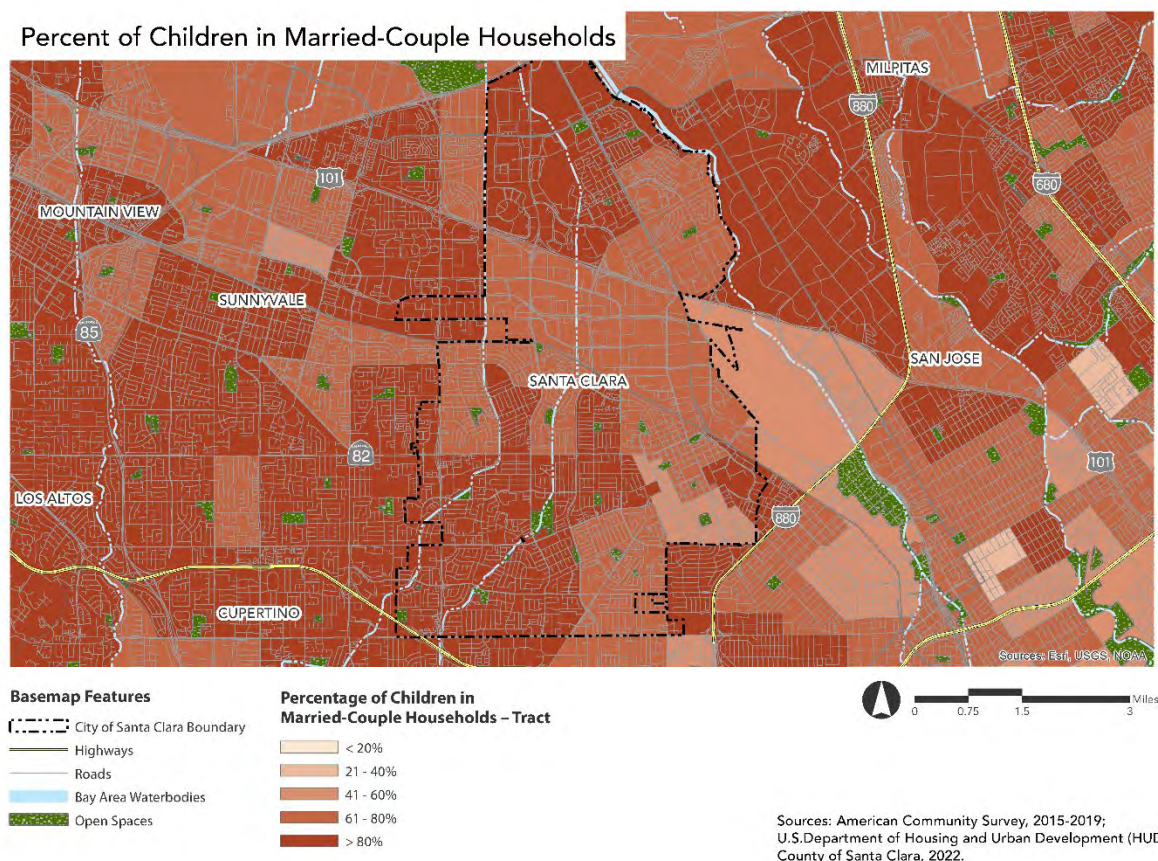
Local Trends

The northern and southern parts of Santa Clara have higher rates of married couple households (between 61 to 80 percent). The central part of Santa Clara has a lower rate of married couple households at 41 to 60 percent. Central Santa Clara also has higher rates of low to moderate income levels (50 to 75 percent), lower incomes (\$87,000) (Figure 13.3-12) and higher rates of overpayment (40 to 60 percent) (Figure 13.3-40) which may all be a factor of this lower rate of married couple and likely dual-income households. The nearby cities of Mountain View, Sunnyvale, and Milpitas have similar rates of married couple households.



SANTA CLARA HOUSING ELEMENT

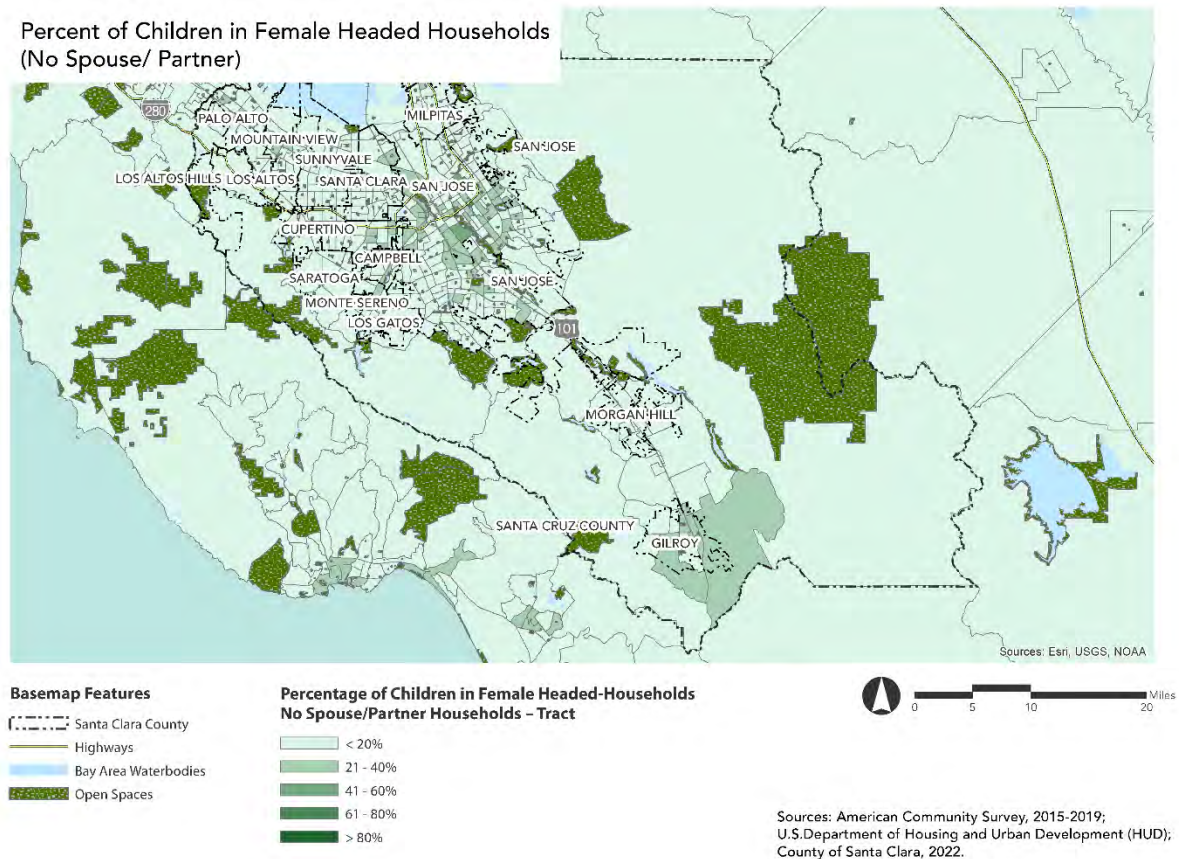
**FIGURE 13.3-8: PERCENT OF CHILDREN IN MARRIED-COUPLE HOUSEHOLDS
– SANTA CLARA (2021)**



Regional Trends

Much of Santa Clara County shows rates of children in female-headed households below 21 to 40 percent. In San Jose there are areas where this percentage rises to 41 to 60 percent. Most cities in the County have some areas where the rate is between 21 to 40 percent, however, some cities along the western part of the County like Los Altos, Cupertino, and Saratoga appear to have rates below 20 percent for the entire city. San Jose, which has the highest concentration of single mother households also has higher rates of non-White populations (61 to 80 percent).

FIGURE 13.3-9: REGIONAL PERCENT OF CHILDREN IN FEMALE-HEADED HOUSEHOLDS BY TRACT (2019)



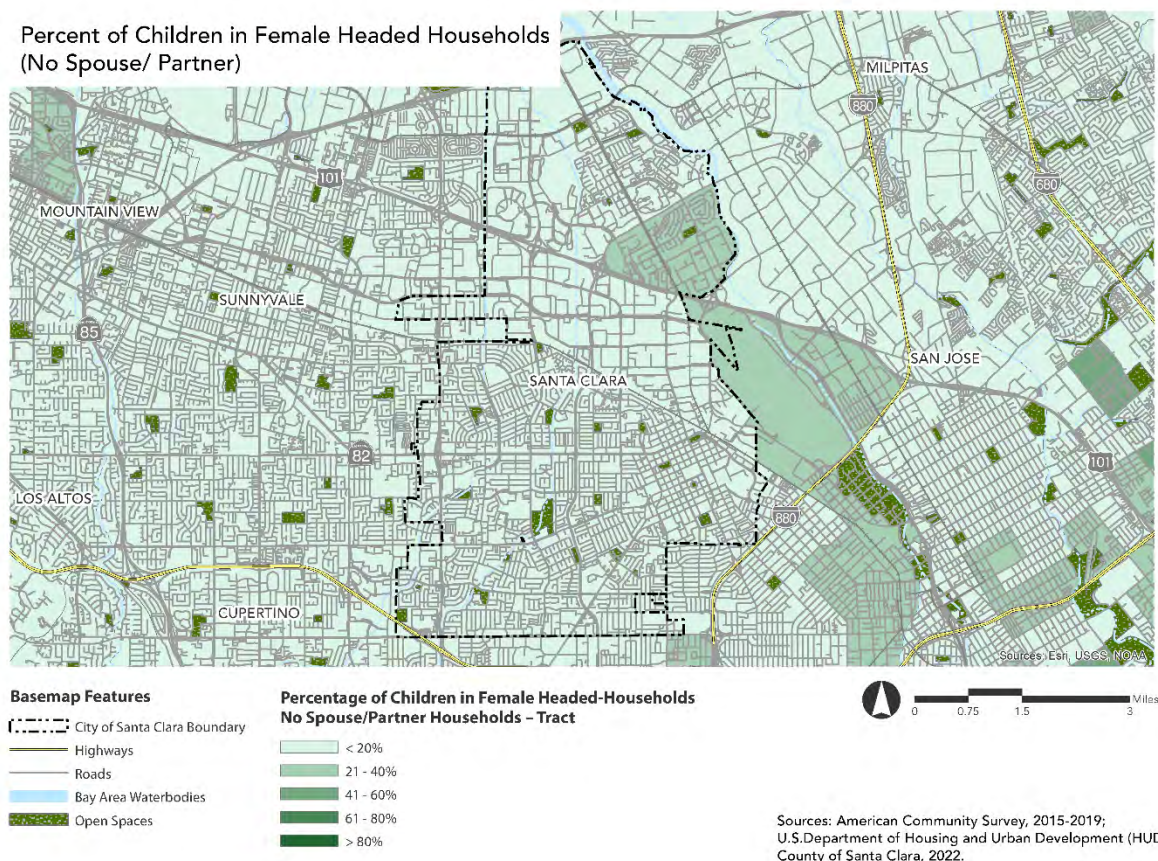
Local Trends

The majority of Santa Clara has below 20 percent of female headed households with children. There is one small section in northeast Santa Clara where this percentage rises to 21 to 40 percent. This area also overlaps with higher rates of HCV use (5 to 15 percent), higher rates of overpayment by renters (40 to 60 percent), and higher rates of household overcrowding (above 15 percent) (Figure 13.3-40). These trends may be explained in part by the higher rate of female headed households which may only be single income households. The nearby cities of Mountain View and Milpitas have rates below 20 percent for female headed households, and Mountain View has a small section where this rate rises between 21 to 40 percent, similar to Santa Clara.



SANTA CLARA HOUSING ELEMENT

FIGURE 13.3-10: PERCENT OF CHILDREN IN FEMALE HEADED HOUSEHOLDS – SANTA CLARA (2021)



In summary, Santa Clara has a higher percentage of single parent female parent households compared with single parent male households. Most of Santa Clara has rates of female headed households with children that are below 20% which is consistent with the rest of the County. The central portion of the City has lower rates of married couples with children. Single parent households generally have lower income which suggests a need to build a variety of affordable unit sizes for singles, couples, single parents with children, and couples with children.

Income Level

Each year, the HUD receives custom tabulations of American Community Survey (ACS) data from the U.S. Census Bureau. Known as the "CHAS" data (Comprehensive Housing Affordability Strategy), it demonstrates the number of households in need of housing assistance by estimating the number of households that have certain housing problems and have incomes low enough to qualify for HUD's programs (primarily 30, 50, and 80 percent of median income). HUD defines a Low to Moderate Income (LMI) area as a census tract or block group where over 51 percent of the population is LMI (based on HUD income definition of up to 80 percent of the Area Median Income).

Regional Trends

Table 13.3-13 lists Santa Clara County households by income category and tenure. Based on the above definition, 33.5 percent of Santa Clara County households are considered LMI, as they earn less than 80 percent of the HUD Area Median Family Income (HAMFI). About 45 percent of all renter households are considered LMI, compared to about 23 percent of owner households. In Santa Clara, about 32 percent of all households are considered LMI. Similar to the County, more renter households in the city are LMI (37.5 percent) than owner households (24 percent). Overall, Santa Clara has a slightly larger percentage of owner and renter households earning above the median area income (60.2 percent) compared to the County (58 percent).

Table 13.3-13: Santa Clara County & Santa Clara Households by Income Category and Tenure

Santa Clara County			
Income Category	Owner	Renter	Total
0%-30% of AMI	7.7%	20.1%	13%
31%-50% of AMI	5.9%	13%	10%
51%-80% of AMI	9.5%	12.4%	10.5%
81%-100% AMI	7.9%	8.9%	8.3%
Greater than 100% of AMI	67.6%	45%	58%
Total	360,660	274,865	635,525
Santa Clara			
Income Category	Owner	Renter	Total
0%-30% of AMI	7.6%	15.6%	12.2%
31%-50% of AMI	8.4%	11.7%	10.3%
51%-80% of AMI	8%	10.2%	9.3%
81%-100% AMI	7.7%	7.9%	7.8%
Greater than 100% of AMI	68%	54%	60.2%
Total	18,930	25,150	44,080

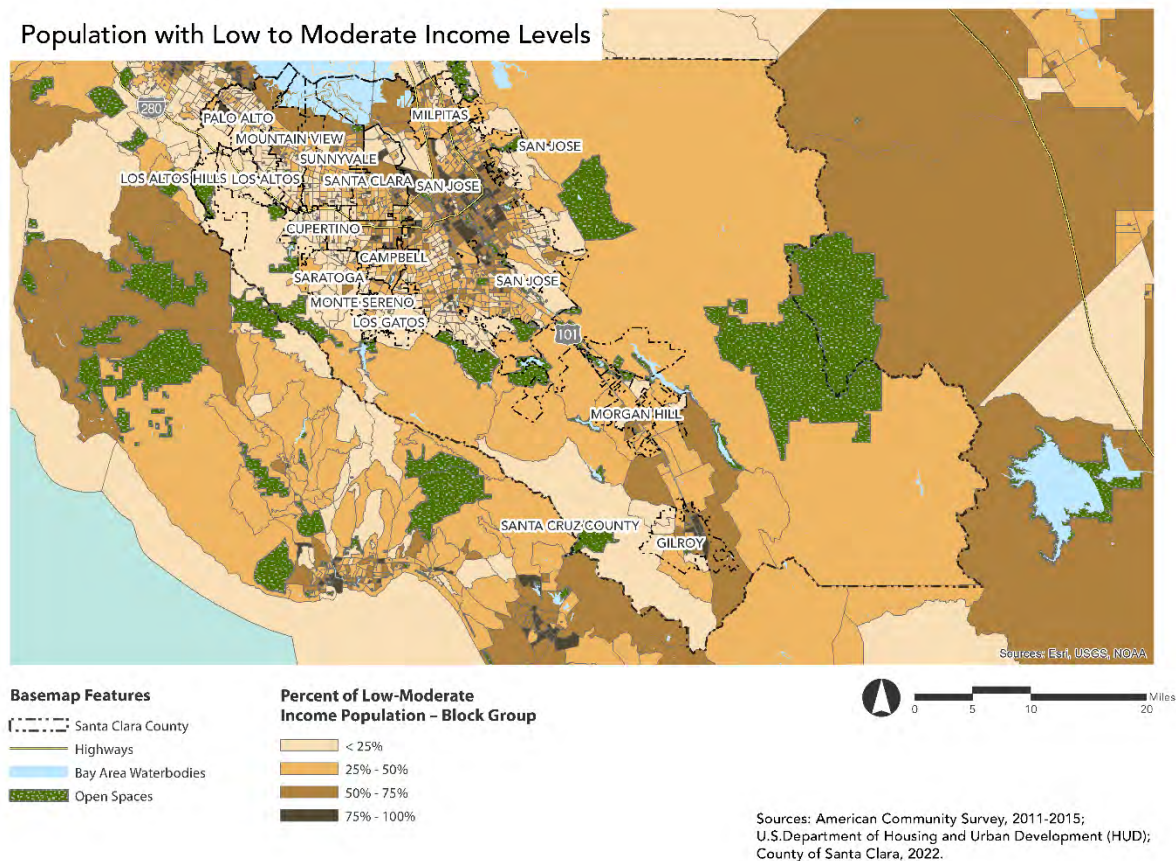
Source(s): HUD CHAS (based on 2014-2018 ACS), 2020.

Figure 13.3-12 shows the LMI areas in Santa Clara County by block group. There are drastic geographic differences in the percentage of LMI populations. The largest concentration of LMI populations is in City of San Jose, where the percentage rises to 50 to 75 percent, and 75 to 100 percent. There are also a few concentrations in Palo Alto, Santa Clara, Campbell, and Gilroy where the LMI population is between 75 to 100 percent. In general, the cities to the west and south of San Jose have lower percentages of LMI populations. This higher LMI percentage in San Jose and the western part of the County may be explained in part by the higher percentages of non-White populations in this area, ranging between 61 to 80 percent, as these populations are more likely to be economically disadvantaged and have lower incomes.



SANTA CLARA HOUSING ELEMENT

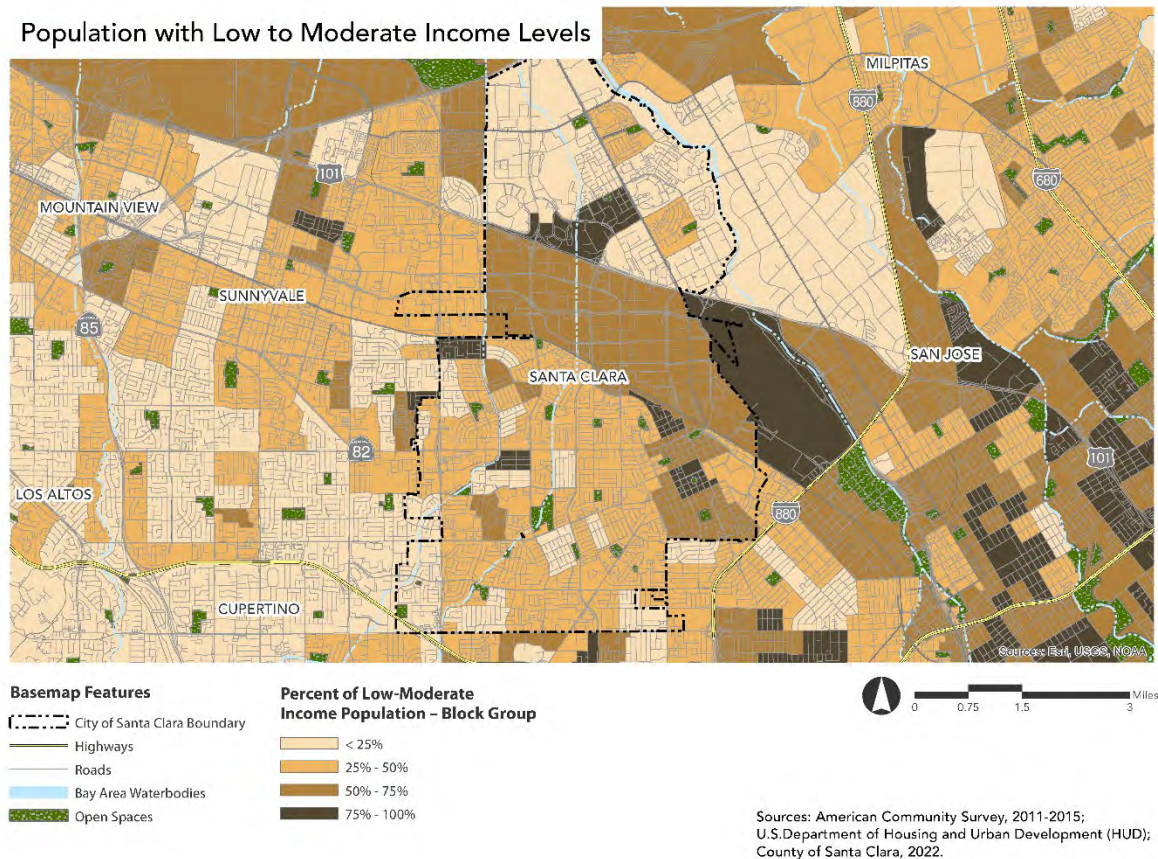
FIGURE 13.3-11: REGIONAL CONCENTRATIONS OF LMI HOUSEHOLDS BY TRACT (2015)



Local Trends

In Santa Clara there are a few concentrations where the LMI populations are between 75 to 100 percent and a large area where the LMI percentage is between 50 to 75 percent. The rest of the city has block groups with LMI populations between 25 to 50 percent and below 25 percent. The largest LMI concentration between 75 to 100 percent is in the northern part of the city, where these block groups overlap with higher percentages of non-White population block groups (61 to 80 percent) and overcrowded households (12 percent). The large area of LMI population between 50 to 75 percent overlaps with block groups that have higher non-White populations (61 to 80 percent), lower median incomes (below \$87,000), and higher rates of overpayment by renters (40 to 60 percent). All three of these factors may provide an explanation for the higher rate of LMI populations in central Santa Clara. Additionally, this area is between Highway 101 and the Union Pacific Railroad and is predominantly industrial, likely contributing to the higher LMI rates. Compared to the nearby cities of Mountain View, Sunnyvale, and Milpitas, Santa Clara has larger geographic areas with higher percentages of LMI populations.

FIGURE 13.3-12: POPULATION WITH LOW TO MODERATE INCOME LEVELS – SANTA CLARA (2021)



Housing Choice Vouchers

Housing Choice Vouchers (HCVs), a form of HUD rental subsidies, are issued to low-income households that promise to pay a certain amount of the household's rent. Prices, or payment standards, are set based on the rent in the metropolitan area, and voucher households must pay any difference between the rent and the voucher amount. Participants of the HCV program are free to choose any rental housing that meets program requirements.

An analysis of the trends in HCV concentration can be useful in examining the success of the program in improving the living conditions and quality of life of its holders. One of the objectives of the HCV program is to encourage participants to avoid high-poverty neighborhoods and encourage the recruitment of landlords with rental properties in low poverty neighborhoods. HCV programs are managed by Public Housing Agencies (PHAs), and the programs assessment structure (SEMAPS) includes an "expanding housing opportunities" indicator that shows whether the PHA has adopted and implemented a written policy to encourage participation by owners of units located outside areas of poverty or minority concentration.



SANTA CLARA HOUSING ELEMENT

A study prepared by HUD's Development Office of Policy Development and Research found a positive association between the HCV share of occupied housing and neighborhood poverty concentration and a negative association between rent and neighborhood poverty¹. This means that HCV use was concentrated in areas of high poverty where rents tend to be lower. In areas where these patterns occur, the program has not succeeded in moving holders out of areas of poverty.

Regional Trends

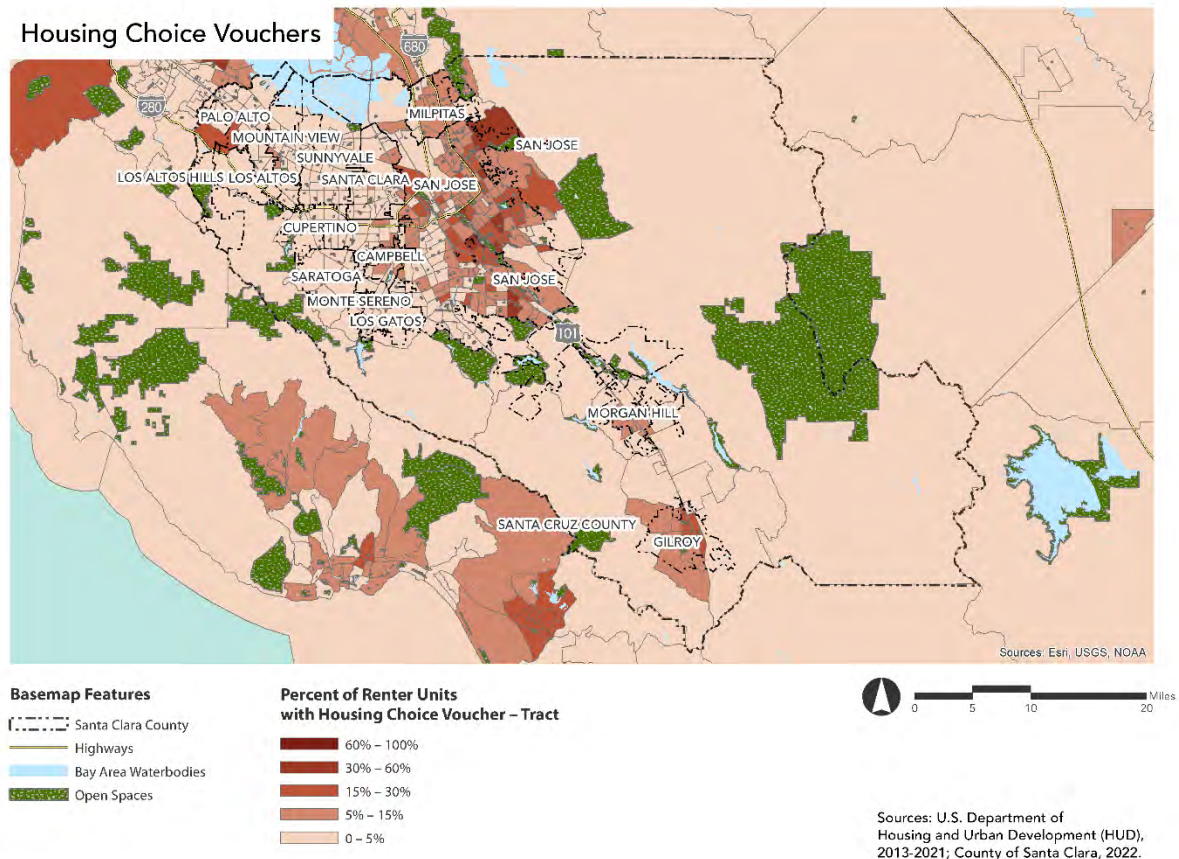
Santa Clara County Housing Authority (SCCHA) provides about 17,000 participants with housing choice vouchers, making it their largest rental assistance program. SCCHA housing choice voucher holders pay 30 percent of their monthly income toward rent. Voucher holders in the "Moving to work" program pay 32 percent of their monthly income towards rent (or a minimum of \$50, whichever is higher). SCCHA pays the balance of the rent to the landlords on behalf of the household.

In the County, the cities of Santa Clara, Cupertino, Mountain View, Palo Alto, and Sunnyvale, the vast majority of Project-Based Section 8 units are 0-1 bedrooms. SCHHA generally has a very long waiting list and the average wait for a household to receive an HCV is between eight to 10 years.

HCV concentration is highest in the eastern part of Santa Clara County in the cities of San Jose, Campbell, and Milpitas. As identified earlier, these areas of the County have higher percentages of non-White populations. HCV use in these areas is between five to 15 percent, 15 to 30 percent, and 30 to 60 percent. Palo Alto, Mountain View, Santa Clara, Morgan Hill, and Gilroy also show lower percentages for HCV use while the rest of the County has rates below five percent.

¹ Devine, D.J., Gray, R.W., Rubin, L., & Taghavi, L.B. (2003). *Housing choice voucher location patterns: Implications for participant and neighborhood welfare*. Prepared for the U.S. Department of Housing and Urban Development, Office of Policy Development and Research, Division of Program Monitoring and Research.

FIGURE 13.3-13: REGIONAL HOUSING HCV CONCENTRATION BY TRACT (2021)



Local Trends

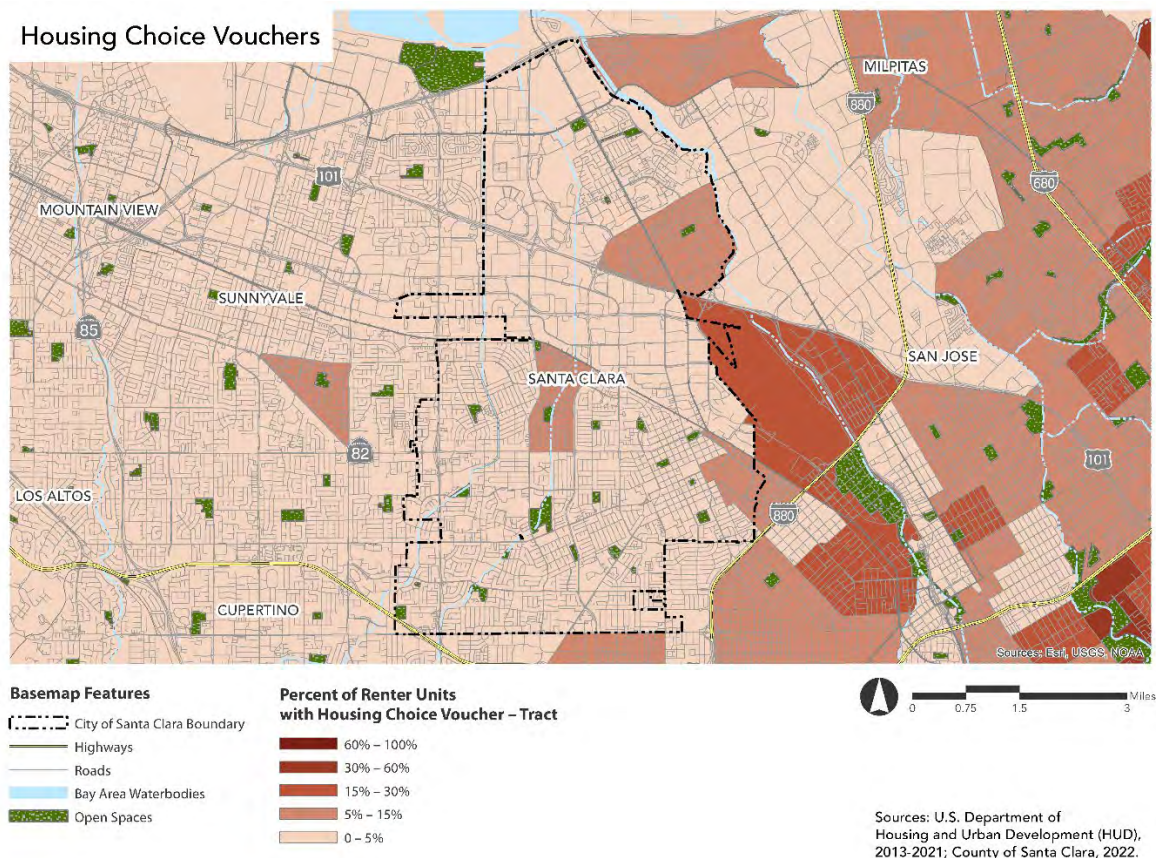
In Santa Clara there are 650 tenant-based vouchers in use and 129 project-based vouchers. There are three concentrations of tracts with HCV use between five to 15 percent while the rest of the City's HCV use is below five percent. There are concentrations of higher HCV use in the northern and southern part of the city. The higher HCV concentration in northern Santa Clara overlaps with the only area in the City with higher rates of female headed households (21 to 40 percent), as well as higher rates of overpayment by renters (40 to 60 percent), and higher rates of overcrowded households (above 15 percent). The areas of higher HCV use in the southern part of the City overlaps with higher rates of LMI households (25 to 50 percent) and higher rates of overpayment by renters (40 to 60 percent).

The northern part of Santa Clara has tracts with median gross rents of \$2,500. The southern part of the City has a mix of rents between \$1,000 and above \$3,000. Central Santa Clara has an average median rent below \$1,000. This area is more affordable than the rest of the city and households in this area have lower median incomes (\$87,000) than the rest of the City. Santa Clara has similar rates of affordability compared to Sunnyvale, Mountain View, and Milpitas.



SANTA CLARA HOUSING ELEMENT

FIGURE 13.3-14: HOUSING CHOICE VOUCHERS – SANTA CLARA (2021)



AFFORDABILITY BY CENSUS TRACT Regional Trends

Figure 13.3-15 shows the Location Affordability Index in Santa Clara County. The index was developed by HUD in collaboration with the Department of Transportation under the federal Partnership for Sustainable Communities. One objective of the partnership is to increase public access to data on housing, transportation, and land use. Before this index was established, there was no standardized national data source on household transportation expenses, which limited the ability of homebuyers and renters to fully account for the cost of living in a particular city or neighborhood.

The prevailing standard of affordability in the United States is paying 30 percent or less of a household's income on housing. However, this prevailing standard fails to account for transportation costs, and transportation costs have grown significantly as a proportion of household income since the standard was established. According to the Bureau of Labor Statistics, in the 1930s, American households spent just eight percent of their income on transportation. Since then, as a substantial proportion of the U.S. population has migrated from center cities to surrounding suburbs and exurbs and has come to rely more heavily (or exclusively) on cars, that percentage has steadily increased, peaking at 19.1 percent in 2003. As of

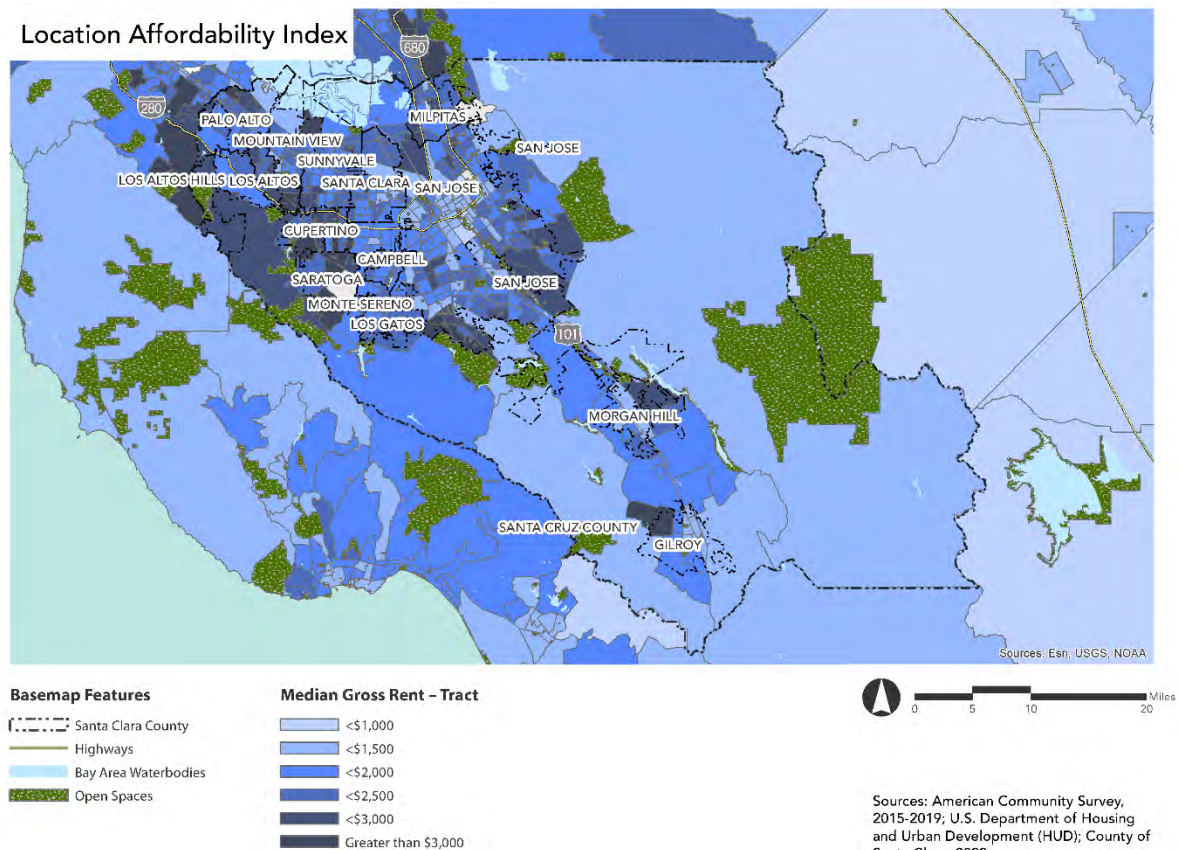
2020, households spent on average about 17.4 percent of their annual income on transportation, second only to housing costs in terms of budget impact.² And for many working-class and rural households, transportation costs exceed housing costs.

In Santa Clara County, there is a mix of median gross rents. San Jose has areas with the lowest rents below \$1,000 and areas with higher rents above \$3,000. Most cities have a mix of rents between \$2,000 to \$3,000 and above. The most affordable tracts are in San Jose while the more expensive tracts are around the perimeter of the County in cities like Palo Alto, Los Altos, Cupertino, Los Gatos, and east San Jose.

Local Trends

Figure 13.3-16 shows that median gross rents are highest in Northern Santa Clara and parts of Southern Santa Clara. The lowest rents are found in and adjacent to Central Santa Clara.

FIGURE 13.3-15: REGIONAL MEDIAN GROSS RENT/ AFFORDABILITY INDEX BY TRACT (2021)

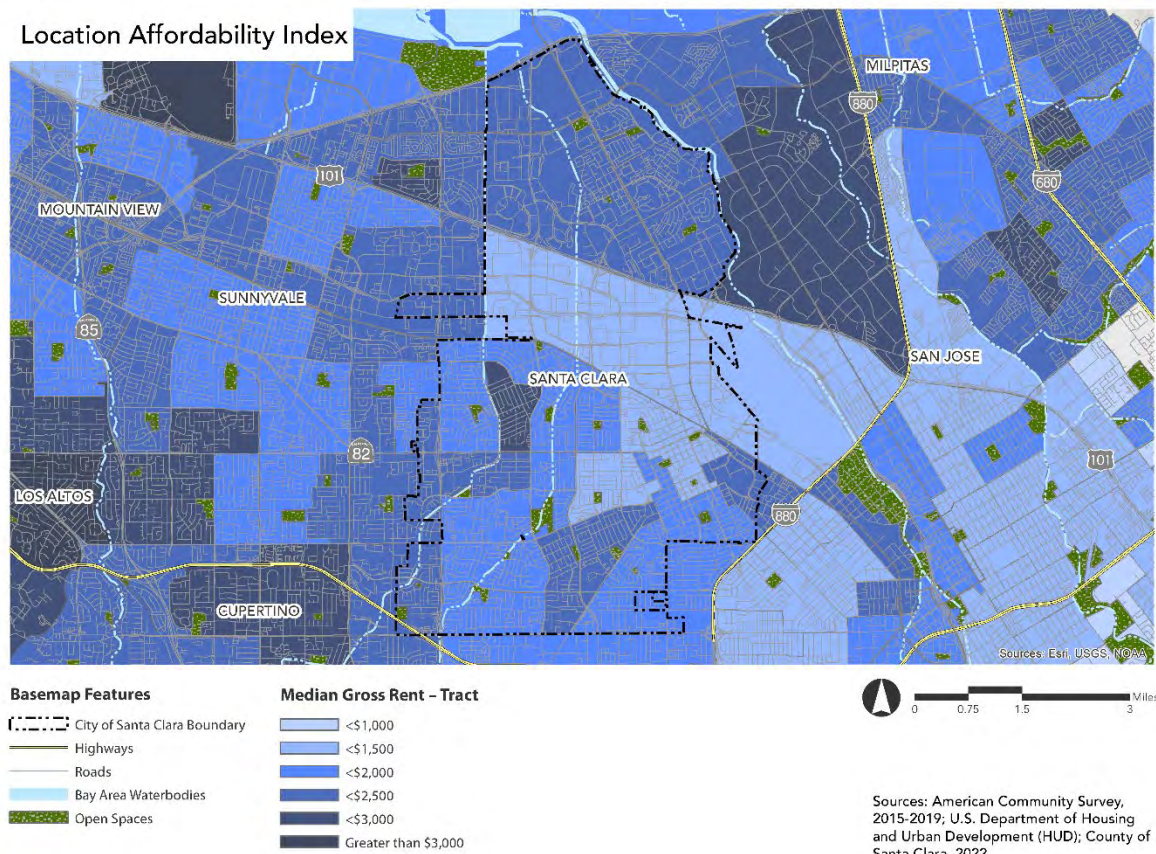


² U.S. Department of Transportation, Bureau of Transportation Statistics, <https://data.bts.gov/stories/s/ida7-k95k>, accessed 4/26/22.



SANTA CLARA HOUSING ELEMENT

FIGURE 13.3-16: LOCATION AFFORDABILITY INDEX – SANTA CLARA (2021)



Racially and Ethnically Concentrated Areas of Poverty (R/ECAP)

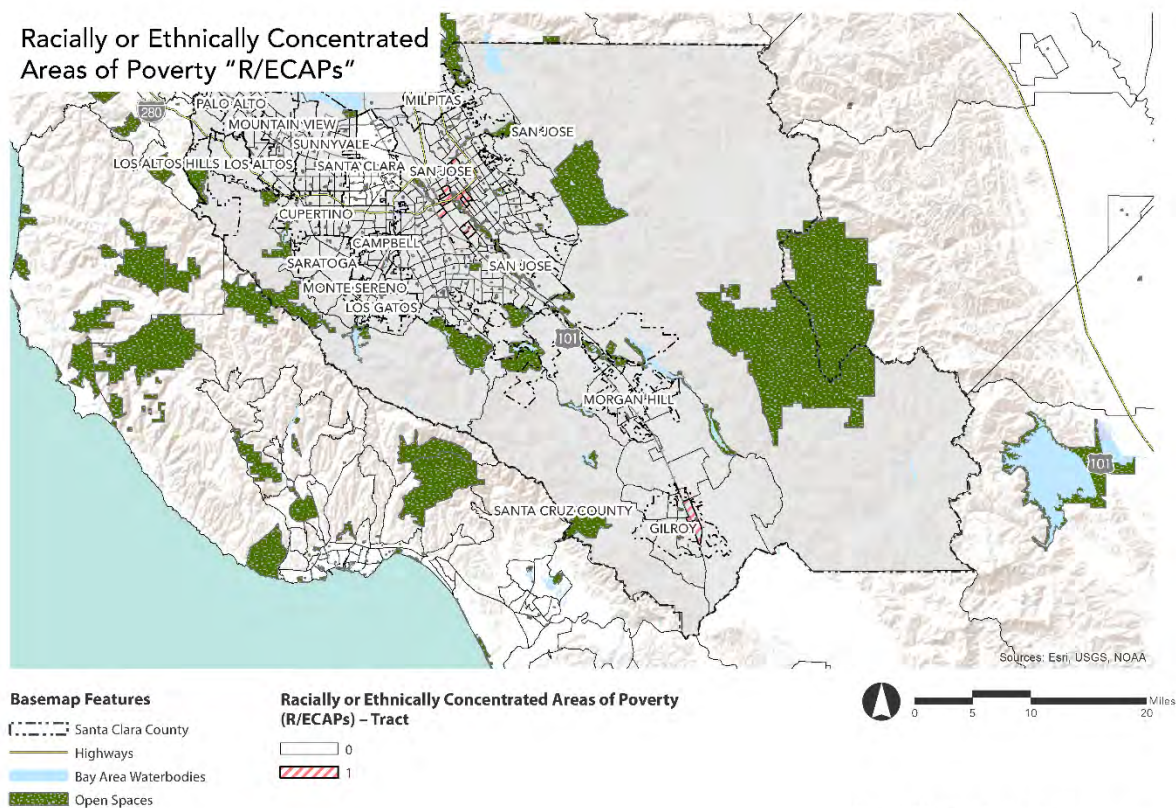
Racially and Ethnically Concentrated Areas of Poverty (R/ECAPs) are geographic areas with significant concentrations of poverty and minority populations. HUD developed a census-tract based definition of R/ECAP that relies on a racial and ethnic concentration threshold and a poverty test. The threshold states that an area with a non-White population of 50 percent or more would be identified as a R/ECAP; the poverty test defines areas of extreme poverty as areas where 40 percent or more of the population live below the federal poverty line or where the poverty rate is three times the average poverty rate for the metropolitan area (whichever is lower). Thus, an area that meets either the racial or ethnic concentration, and the poverty test would be classified as a R/ECAP. Identifying R/ECAPS facilitates an understanding of entrenched patterns of segregation and poverty due to the legacy effects of historically racist and discriminatory housing laws.

In Santa Clara County the only areas that meet the official definition of a R/ECAP are within San Jose and Gilroy.

Local Trends

There are no R/ECAP areas in Santa Clara nor in the nearby cities of Mountain View or Sunnyvale.

FIGURE 13.3-17: REGIONAL RACIALLY AND ETHNICALLY CONCENTRATED AREAS OF POVERTY “R/ECAPS” (2021)





SANTA CLARA HOUSING ELEMENT

FIGURE 13.3-18: RACIALLY OR ETHNICALLY CONCENTRATED AREAS OF POVERTY “R/ECAPS” – SANTA CLARA (2021)



Racially Concentrated Areas of Affluence (RCAAs)

Racially Concentrated Areas of Affluence (RCAAs) are defined by the HUD as communities with a large proportion of affluent and non-Hispanic White residents. According to a policy paper published by the HUD, non-Hispanic Whites are the most racially segregated group in the United States. In the same way neighborhood disadvantage is associated with concentrated poverty and high concentrations of people of color, distinct advantages are associated with residence in affluent, White communities. RCAAs are currently not available for mapping on the AFFH Data Viewer. As such, an alternate definition of RCAA from the University of Minnesota Humphrey School of Public Affairs is used in this analysis. RCAAs are defined as census tracts where (1) 80 percent or more of the population is white, and (2) the median household income is \$125,000 or greater (slightly more than double the national median household income in 2016).

Regional Trends

Comparing Figure 13.3-1 and Figure 13.3-19 there are multiple areas where high White populations overlap with median incomes above \$125,000. These areas are mostly located along

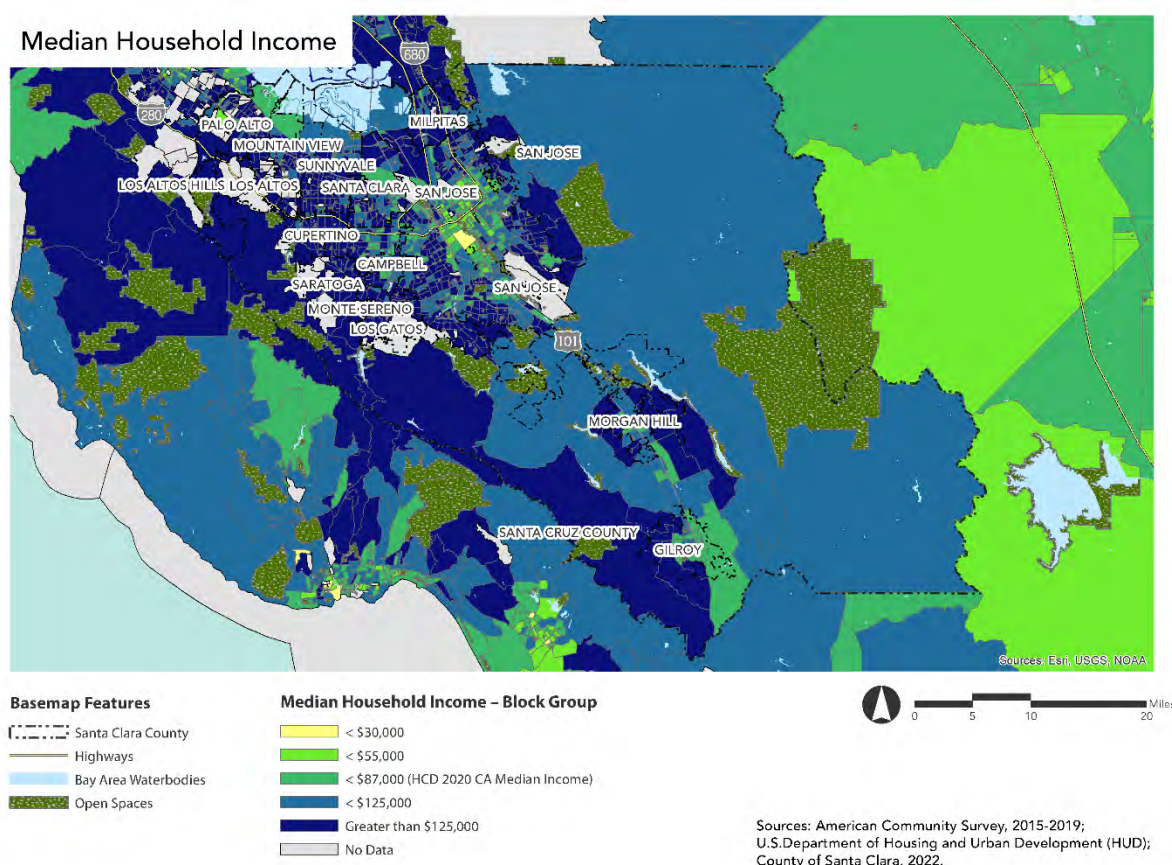
the eastern edge of the County. However, only one community qualifies as an RCAA. The unincorporated area called Lexington Hills located along the western edge of the County has a White population of 87.4 percent and a median household income of \$166,932, meeting the alternate definition of a RCAA. This unincorporated area of 4.7 square miles is home to approximately 2,500 residents.

Table 13.3-14: White Population and Median Household Income of RCAAs in Santa Clara County

City	White Population	Median Household Income (2019)
Lexington Hills	87.4%	\$166,932

Source(s): DataUSA.io (2019)

FIGURE 13.3-19: REGIONAL MEDIAN INCOME BY BLOCK GROUP (2021)



Local Trends

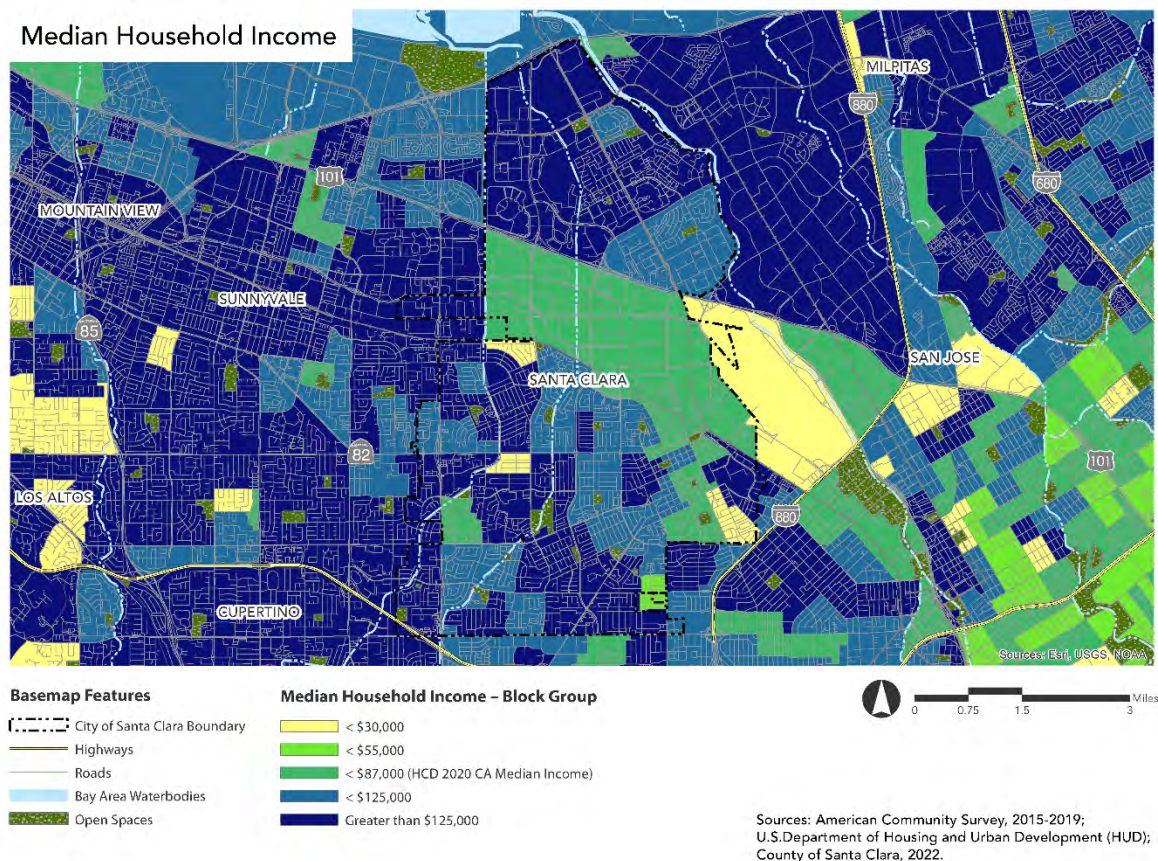
The northern part of Santa Clara has block groups that have households with a median income of \$125,000 and above. The southern part of the city has a smaller section of median household incomes at \$30,000, while most areas have incomes at \$125,000 and above. Notably, Central Santa



SANTA CLARA HOUSING ELEMENT

Clara has median household incomes at \$87,000 which is lower than the rest of the city but is the 2020 median income for California. The central part of Santa Clara also overlaps with higher rates of non-White populations, higher rates of residents with disabilities, and higher rates of overpayment for rent, all of which likely contribute to lower median incomes for households in this area. Mountain View, Sunnyvale, and Milpitas all have larger areas with higher household incomes and only a few small concentrations with lower median incomes.

FIGURE 13.3-20: MEDIAN INCOME – SANTA CLARA (2021)



In summary, Santa Clara has a lower percentage of low and moderate income (LMI) residents compared to the County, but there are several census blocks with higher concentrations of low income residents. These areas are located within or adjacent to Central Santa Clara. These small pockets of lower income residents suggest a need for proactive outreach to connect residents with new affordable housing opportunities as well as education about City services such as landlord tenant rights according to state laws as well as mediation services, home repair, and proactive code enforcement. Such outreach, education, and services could help increase mobility and improve living conditions in these areas.

Analysis above indicates that residents in Central Santa Clara include Asian/Pacific Islander, White, and Hispanic/Latino residents who are disproportionately overrepresented in this area. Proactive outreach in Central Santa Clara should be conducted in English, Spanish and other relevant languages to provide greater access to city programs and affordable housing opportunities throughout the City.

Access to Opportunities

Access to opportunity is a concept to approximate the link between place-based characteristics (e.g., education, employment, safety, and the environment) and critical life outcomes (e.g., health, wealth, and life expectancy). Ensuring access to opportunity means both improving the quality of life for residents of low-income communities, as well as supporting residents' mobility and access to 'high resource' neighborhoods.

TCAC Opportunity Maps

TCAC Maps are opportunity maps created by the California Fair Housing Task Force (a convening of the Department of Housing and Community Development (HCD) and the California Tax Credit Allocation Committee (TCAC)) to provide research and evidence-based policy recommendations to further HCD's fair housing goals of (1) avoiding further segregation and concentration of poverty and (2) encouraging access to opportunity through land use policy and affordable housing, program design, and implementation. These opportunity maps identify census tracts with highest to lowest resources, segregation, and poverty, which in turn inform the TCAC to distribute funding more equitably for affordable housing in areas with the highest opportunity through the Low-Income Housing Tax Credit (LIHTC) Program.

TCAC Opportunity Maps display areas by highest to lowest resources by assigning scores between 0–1 for each domain by census tracts where higher scores indicate higher "access" to the domain or higher "outcomes." Refer to Table 13.3-15 for a list of domains and indicators for opportunity maps. Composite scores are a combination score of the three domains that do not have a numerical value but rather rank census tracts by the level of resources (low, moderate, high, highest, and high poverty and segregation). The opportunity maps also include a measure or "filter" to identify areas with poverty and racial segregation. The criteria for these filters were:

- Poverty: Tracts with at least 30 percent of population under the federal poverty line;
- Racial Segregation: Tracts with location quotient higher than 1.25 for Blacks, Hispanics, Asians, or all people of color in comparison to the County



Table 13.3-15: Domains and List of Indicators for Opportunity Maps

<i>Domain</i>	<i>Indicator</i>
Economic	Poverty Adult Education Employment Job Proximity Median home value
Environmental	CalEnviroScreen 4.0 pollution Indicators and values
Education	Math proficiency Reading proficiency High School graduation rates Student poverty rates

Source(s): California Fair Housing Task Force, Methodology for the 2021 TCAC/ HCD Opportunity Maps, December 2020

High resource areas have high index scores for a variety of opportunity indicators such as high employment rates, low poverty rates, proximity to jobs, high educational proficiency, and limited exposure to environmental health hazards. High resource tracts are areas that offer low-income residents the best chance of a high quality of life, whether through economic advancement, high educational attainment, or clean environmental health. Moderate resource areas have access to many of the same resources as the high resource areas but may have fewer job opportunities, lower performing schools, lower median home values, or other factors that lower their indexes across the various economic, educational, and environmental indicators. Low resource areas are characterized as having fewer opportunities for employment and education, or a lower index for other economic, environmental, and educational indicators. These areas have greater quality of life needs and should be prioritized for future investment to improve opportunities for current and future residents.

Information from opportunity mapping can help highlight the need for housing element policies and programs that would help to remediate conditions in low resource areas or areas of high segregation and poverty, and to encourage better access for low and moderate income, and black, indigenous, and people of color (BIPOC) households to housing in high resource areas.

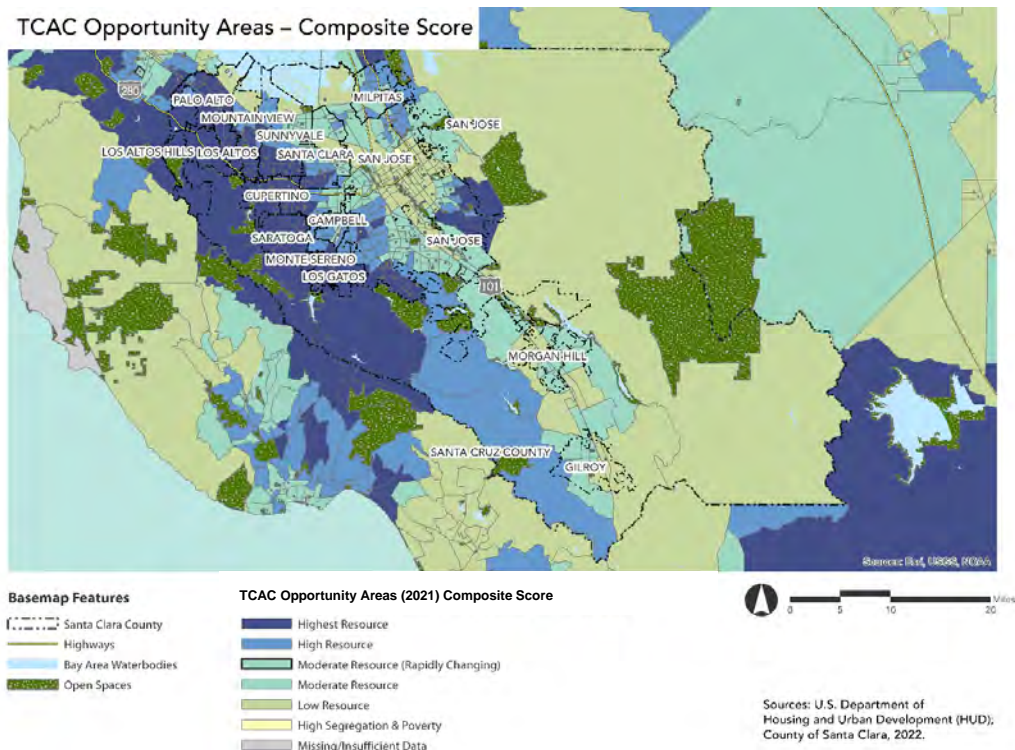
Regional Trends

Figure 13.3-21 provides a visual representation of TCAC Opportunity Areas in Santa Clara County based on a composite score, where each tract is categorized based on percentile rankings of the level of resources within the region. The western part of the County has cities with the highest resources such as Palo Alto, Cupertino, Saratoga, Monte Sereno, and Los Gatos. The central part of the County has a mix of resource scores of high, moderate, and low with the largest low resource areas in San Jose and Morgan Hill. The eastern part of San Jose has areas with both the lowest and highest resource scores.

Local Trends

Santa Clara has a mix of resource scores. The northern part of the city has moderate and high resources, the central part of the city has low resources, and the southern part of the city has a mix of low, moderate, high, and highest resources. The areas with low resources also overlap with higher CalEnviroScreen Scores (50 to 74 percent) (Figure 13.3-36), lower Healthy Places Index Scores (50 to 75) (Figure 13.3-38), higher rates of LMI households (50 to 75 percent) and areas with higher non-White populations (61 to 80 percent). The new TCAC opportunity area map below (Figure 13.3-23) shows a shift in resources in certain areas of the City. North of highway 101 and the San Tomas Freeway the northern part of the City which was previously moderate resource is now high resource. Since the advent of City Specific Plans, we see a trajectory towards higher resource areas with greater investment increasing amenities for neighborhoods. Figure 13.3-23 shows that the City's site inventory (purple shapes) are generally dispersed from existing subsidized housing (red dots).

FIGURE 13.3-21: REGIONAL TCAC COMPOSITE SCORES BY TRACT (2021)





SANTA CLARA
HOUSING ELEMENT

FIGURE 13.3-22: TCAC OPPORTUNITY AREAS – COMPOSITE SCORE – SANTA CLARA (2021)

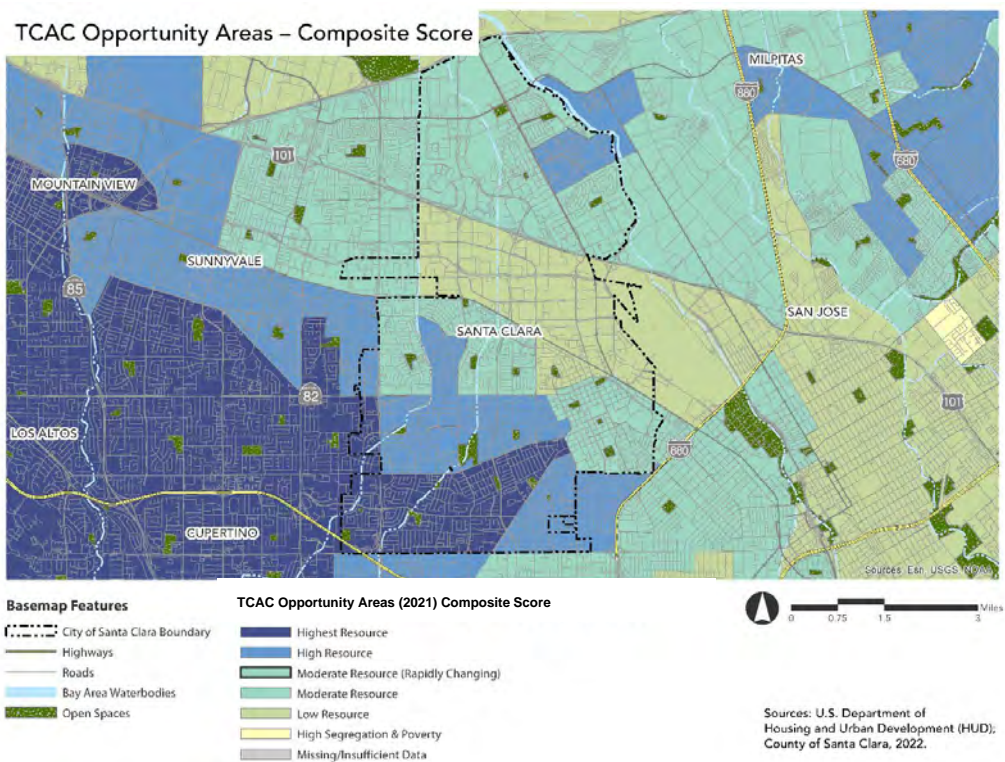
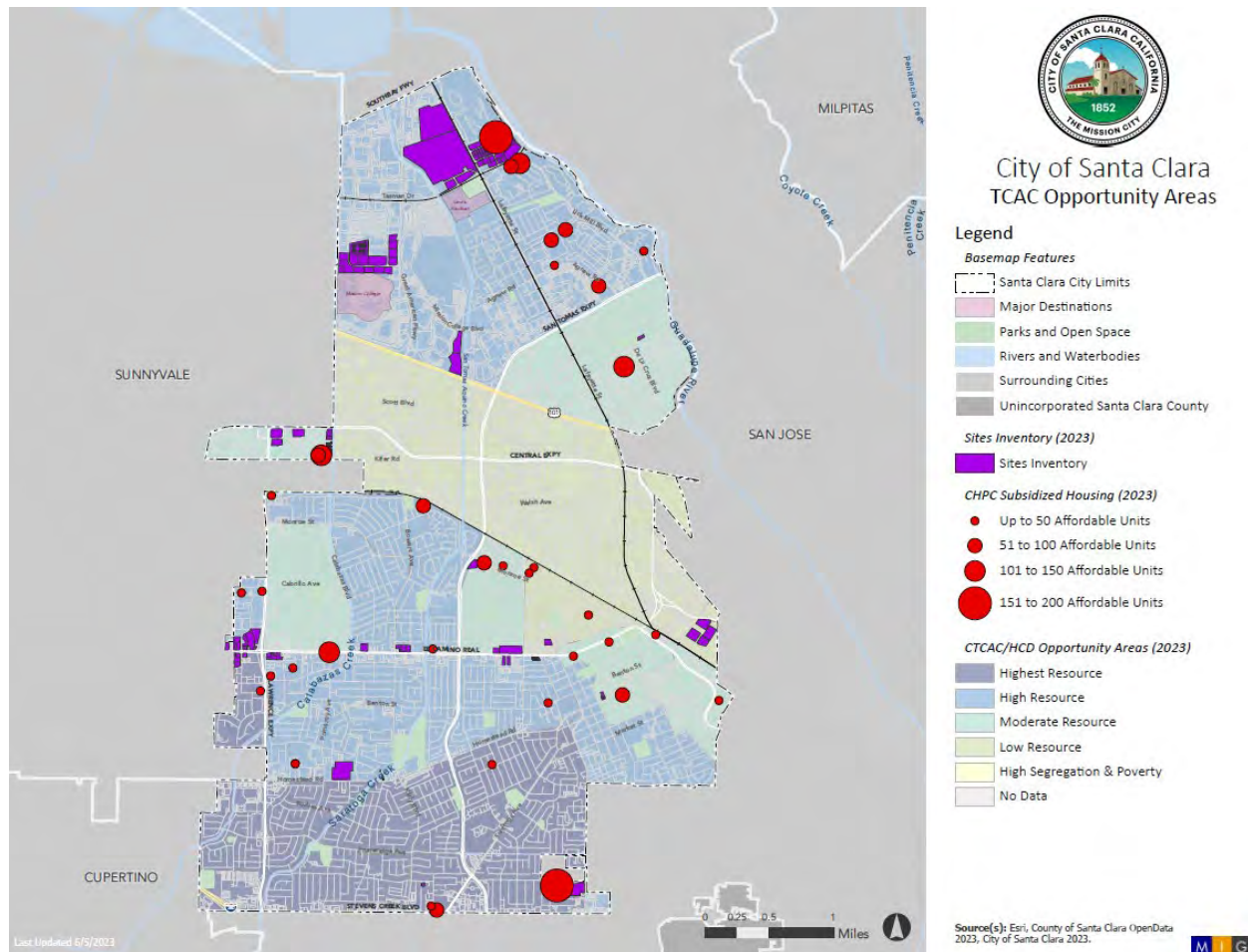


FIGURE 13.3-23: SITES INVENTORY, EXISTING AFFORDABLE HOUSING, AND TCAC OPPORTUNITY AREAS – COMPOSITE SCORE – SANTA CLARA (2023)



Opportunity Indices

This section presents the HUD-developed index scores based on nationally available data sources to assess residents' access to key opportunity assets in comparison to the County. Table 13.3-16 provides index scores or values (the values range from 0 to 100) for the following opportunity indicator indices:

- School Proficiency Index:** The school proficiency index uses school-level data on the performance of 4th grade students on state exams to describe which neighborhoods have high-performing elementary schools nearby and which are near lower performing elementary schools. The higher the index value, the higher the school system quality is in a neighborhood.
- Labor Market Engagement Index:** The labor market engagement index provides a summary description of the relative intensity of labor market engagement and human capital in a neighborhood. This is based upon the level of employment, labor force



SANTA CLARA HOUSING ELEMENT

participation, and educational attainment in a census tract. The higher the index value, the higher the labor force participation and human capital in a neighborhood.

- **Transit Trips Index:** This index is based on estimates of transit trips taken by a family that meets the following description: a 3-person single-parent family with income at 50 percent of the median income for renters for the region (i.e., the Core-Based Statistical Area (CBSA)). The higher the transit trips index value, the more likely residents in that neighborhood utilize public transit.
- **Low Transportation Cost Index:** This index is based on estimates of transportation costs for a family that meets the following description: a 3-person single-parent family with income at 50 percent of the median income for renters for the region/CBSA. The higher the index value, the lower the cost of transportation in that neighborhood.
- **Jobs Proximity Index:** The jobs proximity index quantifies the accessibility of a given residential neighborhood as a function of its distance to all job locations within a region/CBSA, with larger employment centers weighted more heavily. The higher the index value, the better the access to employment opportunities for residents in a neighborhood.
- **Environmental Health Index:** The environmental health index summarizes potential exposure to harmful toxins at a neighborhood level. The higher the index value, the less exposure to toxins harmful to human health. Therefore, the higher the index value, the better the environmental quality of a neighborhood (where a neighborhood is a census block-group).

Table 13.3-16: Opportunity Indices by Race/ Ethnicity – Santa Clara County

	<i>School Proficiency Index</i>	<i>Labor Market Index</i>	<i>Transit Trip Index</i>	<i>Low Transportation Cost Index</i>	<i>Jobs Proximity Index</i>	<i>Environmental Health Index</i>
Santa Clara County						
<i>Total Population</i>						
White, Non-Hispanic	81.85	82.15	68.07	91.22	52.75	58.84
Black, Non-Hispanic	74.05	74.24	73.41	93.10	57.03	53.45
Hispanic	58.86	61.91	64.53	91.30	43.19	54.62
Asian or Pacific Islander, Non-Hispanic	85.32	83.26	71.35	91.36	51.68	61.59
Native American, Non-Hispanic	69.43	68.36	67.23	91.76	50.57	56.68
<i>Population Below Federal Poverty Line</i>						
White, Non-Hispanic	77.47	79.47	70	92.22	52.67	56.88
Black, Non-Hispanic	55.29	63.66	64.3	90.61	41	59.89
Hispanic	50.56	54.77	64.34	92.15	43.58	53.07
Asian or Pacific Islander, Non-Hispanic	72.77	73.73	67.96	91.39	52.68	57.31
Native American, Non-Hispanic	75.1	75.82	76.71	94.47	72.22	63.36

Note: American Community Survey Data are based on a sample and are subject to sampling variability. See page 31 for index score meanings.

Source(s): AFFHT Data Table 13.3-17; Data Sources: Decennial Census; ACS; Great Schools; Common Core of Data; SABINS; LAI; LEHD; NATA

Education

Housing and school policies are mutually reinforcing, which is why it is important to analyze access to educational opportunities when assessing fair housing. At the most general level, school districts with the greatest amount of affordable housing tend to attract larger numbers of LMI families (largely composed of minorities). As test scores are a reflection of student demographics,



SANTA CLARA HOUSING ELEMENT

where Black/Hispanic/Latino students routinely score lower than their White peers, less diverse schools with higher test scores tend to attract higher income families to the school district. This is a fair housing issue because as higher income families move to the area, the overall cost of housing rises and an exclusionary feedback loop is created, leading to increased racial and economic segregation across districts as well as decreased access to high-performing schools for non-White students.

Regional Trends

The 2021 TCAC Opportunity Areas Education Composite Score for a census tract is based on math and reading proficiency, high school graduation rate, and student poverty rate indicators. The score is broken up by quartiles, with the highest quartile indicating more positive education outcomes and the lowest quartile signifying fewer positive outcomes.

Santa Clara County has 28 school districts. As of 2020, throughout the County there were 255 elementary schools, 61 middle schools, 55 high schools, 11 continuing education schools, 10 alternative schools, five junior high schools, four K-12 schools, two community day schools, and one special education school.³ The map below shows the TCAC education score for the County with the central and southern parts of the County including San Jose, Morgan Hill, and Gilroy showing scores between 0.25 - 0.50 which are less positive education scores. The cities on the western side of the County and Milpitas have scores above 0.75 which is the more positive education outcome score. The areas with lower scores correspond to areas with higher non-White populations and the areas with higher scores correspond to areas with lower non-White populations. Table 13.3-17 indicates that index values for school proficiency are higher for White residents, indicating a greater access to high quality schools. For populations below the federal poverty line, index values for school proficiency are highest among White, Native American (Non-Hispanic), and Asian or Pacific Islander (Non-Hispanic).

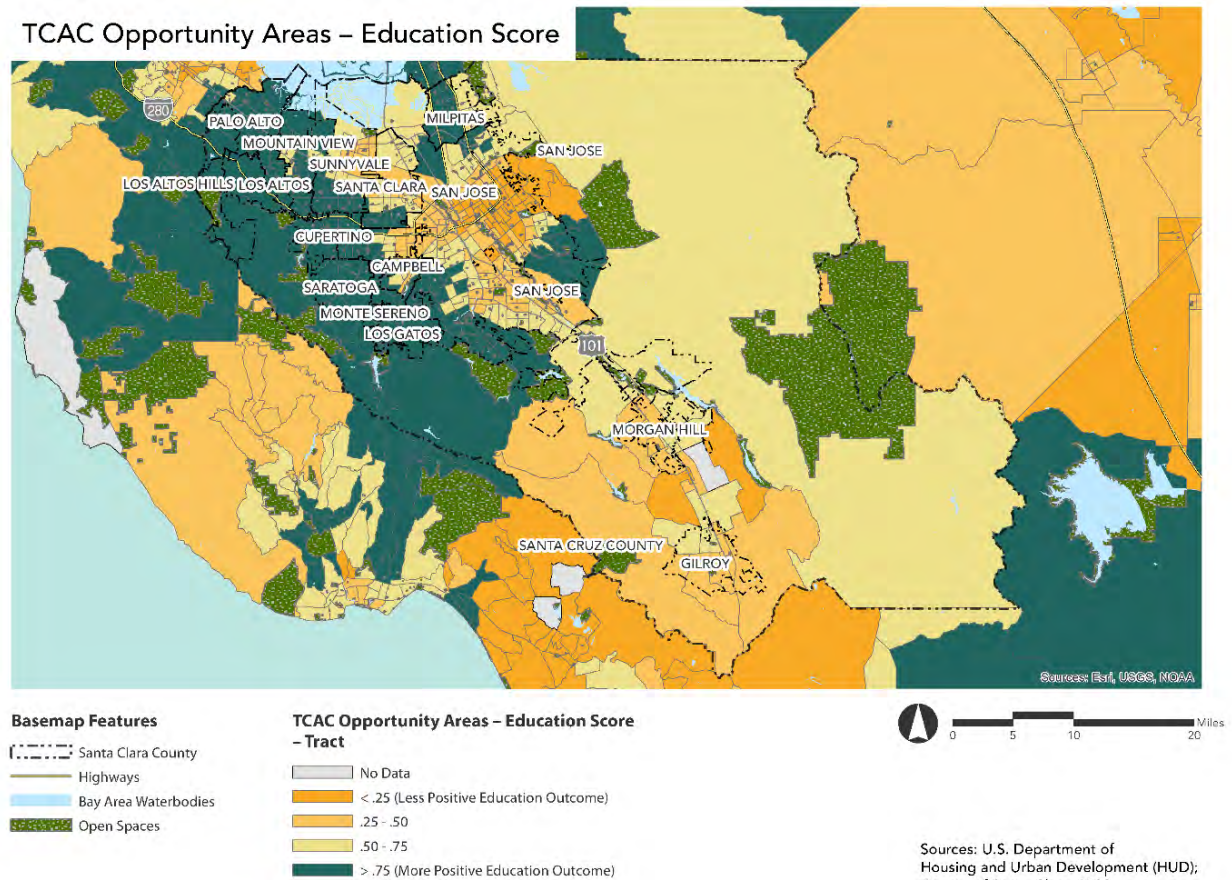
Local Trends

The northern part of Santa Clara has a TCAC education score of 0.50 to 0.75 which trend toward the more positive educational outcome score. The central part of Santa Clara has a score of between 0.25 to 0.50 which trends toward the less positive educational outcome score (note there are no public schools located in the central part of the City). The southern part of Santa Clara has a mix of scores between 0.25 to 0.50, 0.50 to 0.75 and above 0.75. The nearby cities of Mountain View and Milpitas mostly have TCAC education scores above 0.75 while the city of Sunnyvale has a mix of scores similar to Santa Clara.

³ Ed-data.org

According to the National Center for Education data from 2021, there were 23 public schools in Santa Clara (Figure 13.3-26). These public school rankings reflect the TCAC Education scores with schools in the northern part of the city receiving scores below the top 30 percent and schools in the southern part of the city receiving scores in the top 10 percent and above. There are no public schools located in the central part of the city.

FIGURE 13.3-24: REGIONAL TCAC EDUCATION SCORES (2021)





SANTA CLARA HOUSING ELEMENT

FIGURE 13.3-25: TCAC OPPORTUNITY AREAS – EDUCATION SCORE – SANTA CLARA (2021)

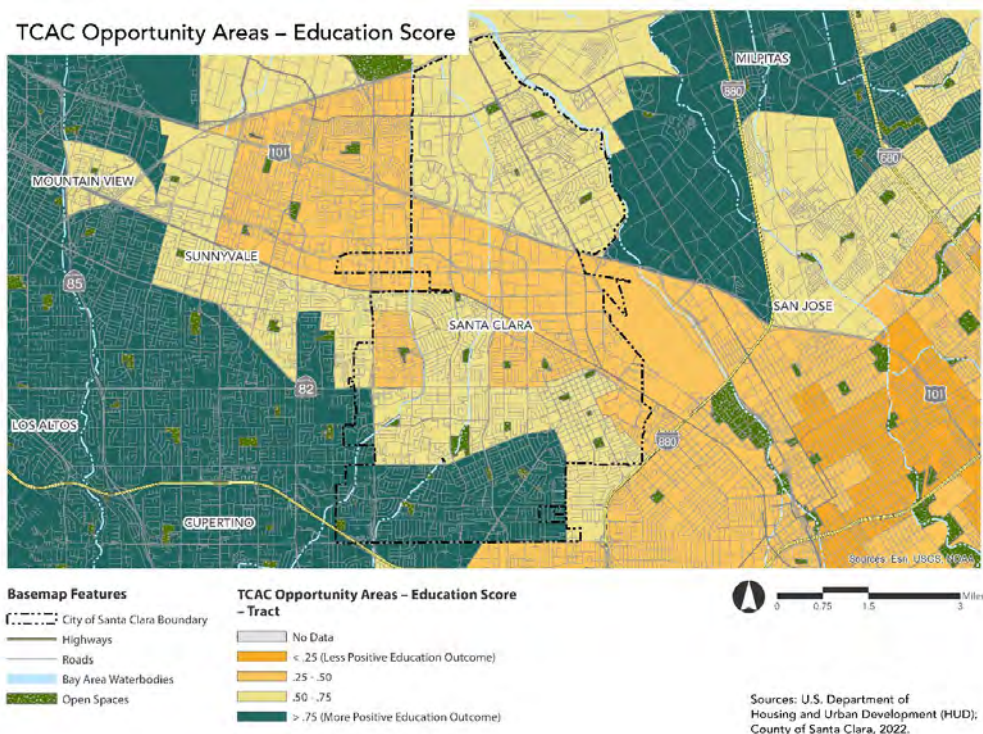
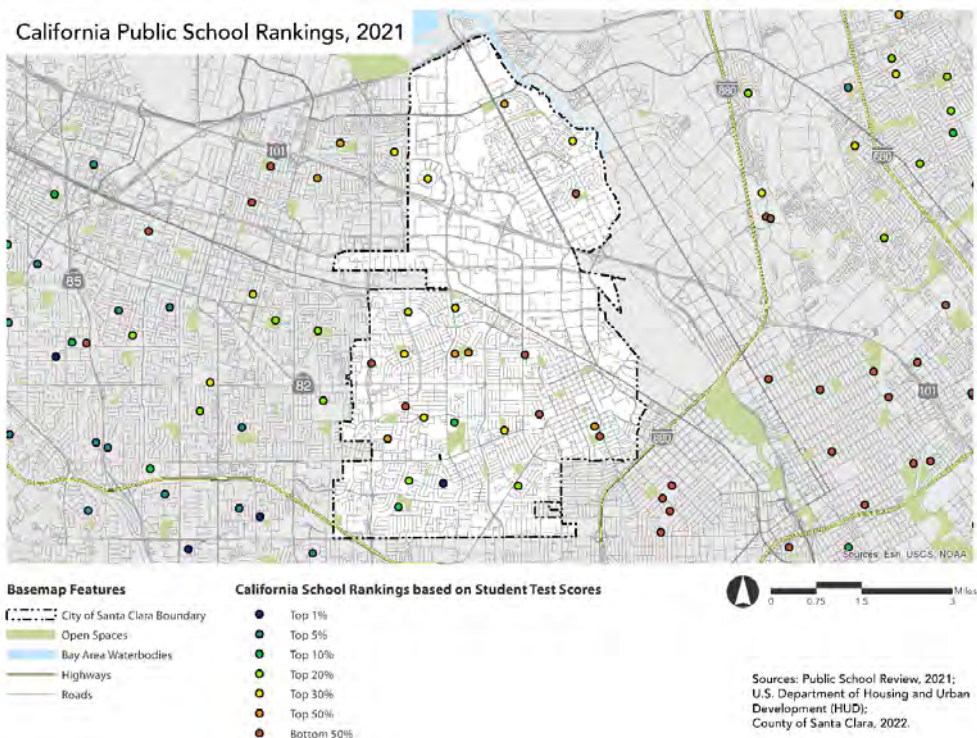


FIGURE 13.3-26: PUBLIC SCHOOL RANKINGS (2021)



Transportation

Access to public transit is of paramount importance to households affected by low incomes and rising housing prices, especially because lower income households are often transit dependent. Public transit should strive to link lower income persons, who are often transit dependent, to major employers where job opportunities exist. Access to employment via public transportation can reduce welfare usage and increase housing mobility, which enables residents to reside in housing outside of traditionally low-income neighborhoods.

Transportation opportunities are depicted by two indices: (1) the transit trips index and (2) the low transportation cost index. The transit trips index measures how often low-income families in a neighborhood use public transportation. The index ranges from 0 to 100, with higher values indicating a higher likelihood that residents in a neighborhood utilize public transit. The low transportation cost index measures cost of transportation and proximity to public transportation by neighborhood. It too varies from 0 to 100, and higher scores point to lower transportation costs in that neighborhood.

Regional Trends

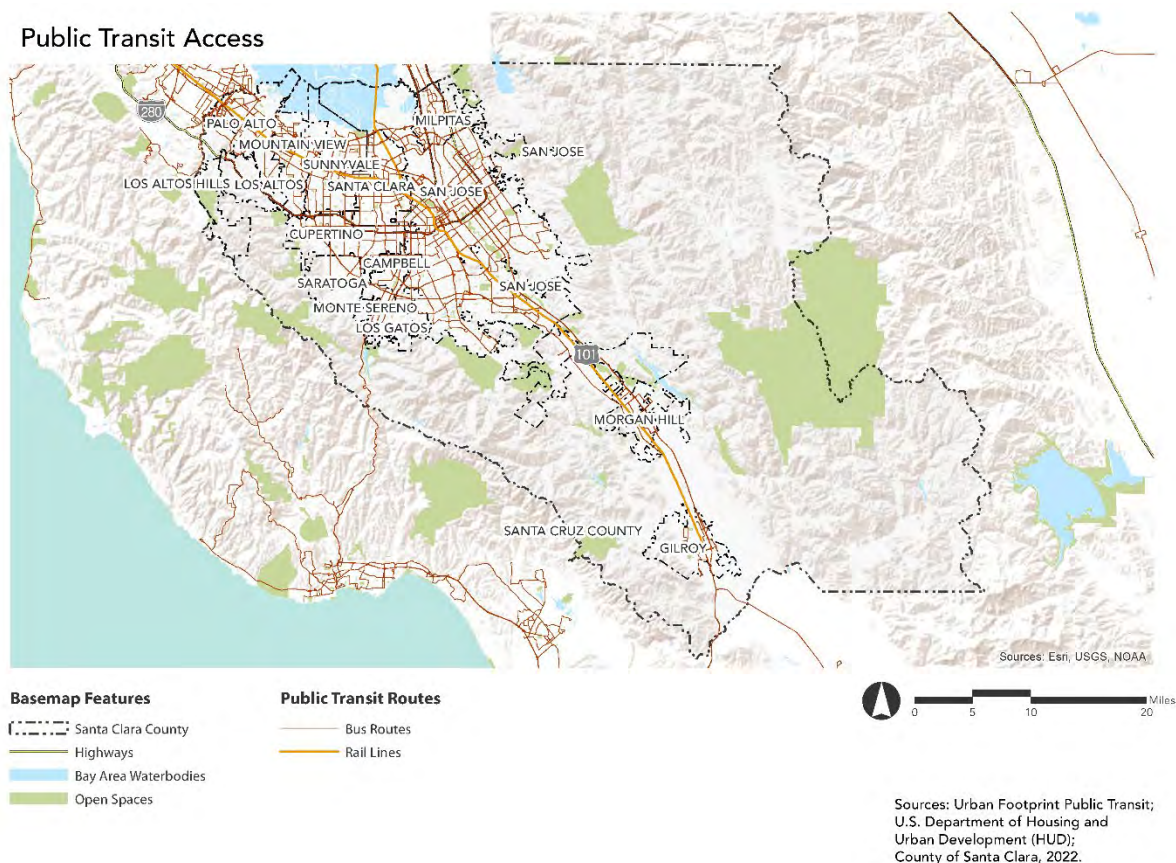
In Santa Clara County, neither transit index, regardless of poverty level, varies noticeably across racial/ethnic categories. All races and ethnicities score highly on both indices, with values close in magnitude. If these indices are accurate depictions of transportation accessibility, it might be concluded that all racial and ethnic classes have high and relatively equal access to transportation at both the jurisdictional and regional levels. If anything, both indices appear to take slightly higher values for non-Hispanic Black residents and non-Hispanic Native-American residents, suggesting greater access to and lower costs for transit for these protected groups.

Santa Clara County is served by Valley Transportation Authority (VTA) which includes bus and light rail service throughout the County. VTA runs three light rail lines, 19 rapid bus lines, 24 local bus lines, four express shuttles, and nine shuttles. The County is very well connected by public transit to the larger Bay Area region. The area is also served by Amtrak with stations in Santa Clara and San Jose. The eastern part of Santa Clara County is served by Bay Area Rapid Transit (BART). Both San Jose and Milpitas have BART stops and are served by the Green and Orange lines. The Orange line connects to Richmond and the Green line connects to San Francisco.



SANTA CLARA HOUSING ELEMENT

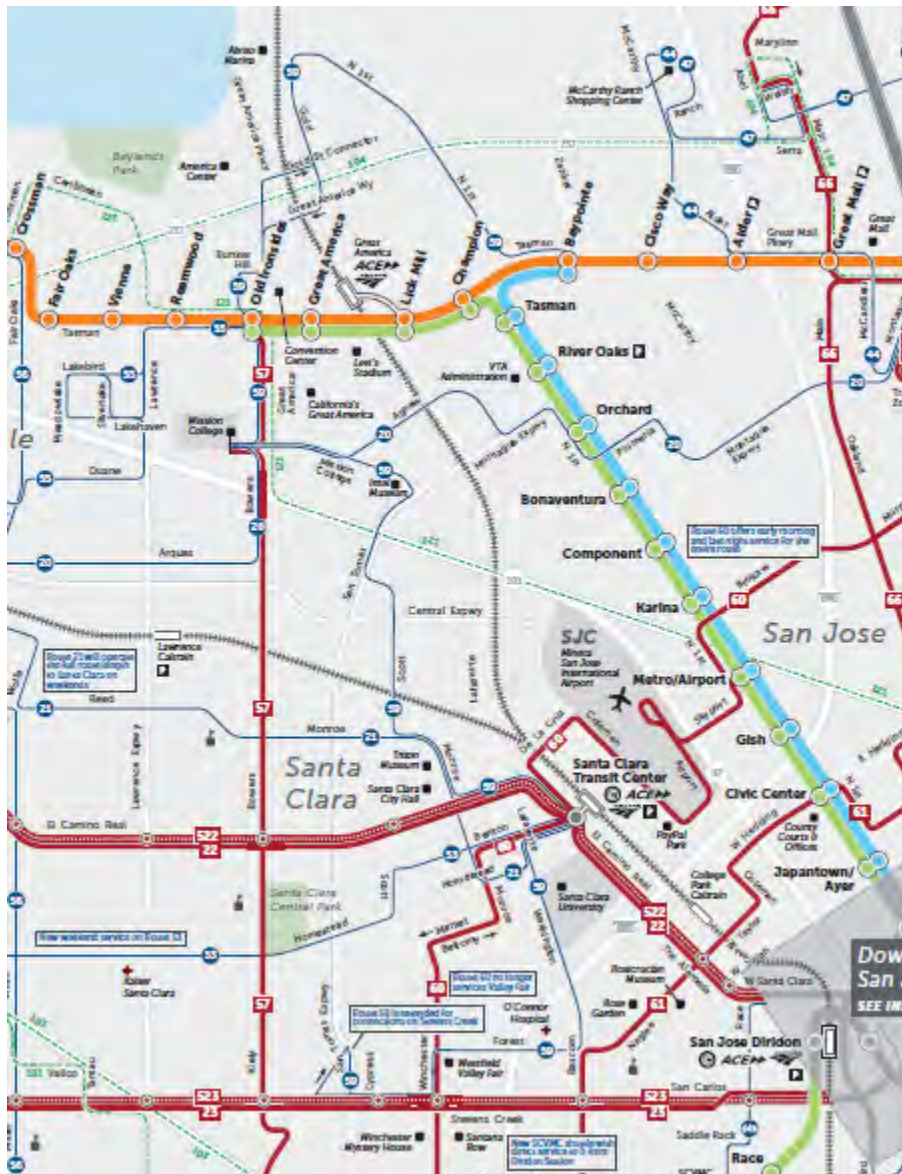
FIGURE 13.3-27: REGIONAL PUBLIC TRANSIT ACCESS (2021)



Local Trends

The City of Santa Clara is serviced by Valley Transportation Authority (VTA) including both bus and light rail service. The City of Santa Clara is serviced by two rapid bus lines, three local bus lines, two light rail line, the Altamont Corridor Express (ACE) and Amtrak rail. According to the website alltransit.cnt.org, Santa Clara has a transit performance score of seven (out of 10). This score is determined by the number of transit trips per week a household takes and the number of jobs accessible by transit for a geographic area. Nearby cities of Mountain View and Sunnyvale have higher transit scores of 7.7 and 7.2 respectively, while Milpitas has a lower score of 6.7. Transit access is significantly better in South Santa Clara where there are two rapid bus lines, three frequent bus lines, and the Santa Clara Caltrain Station which will be expanded to also accommodate a BART station connecting to San Jose and the East Bay. Central Santa Clara has a few local bus routes and the Lawrence Caltrain Station while North Santa Clara has several light rail stations with a less robust network of local bus routes. Figure 13.3-28 shows the VTA transit map.

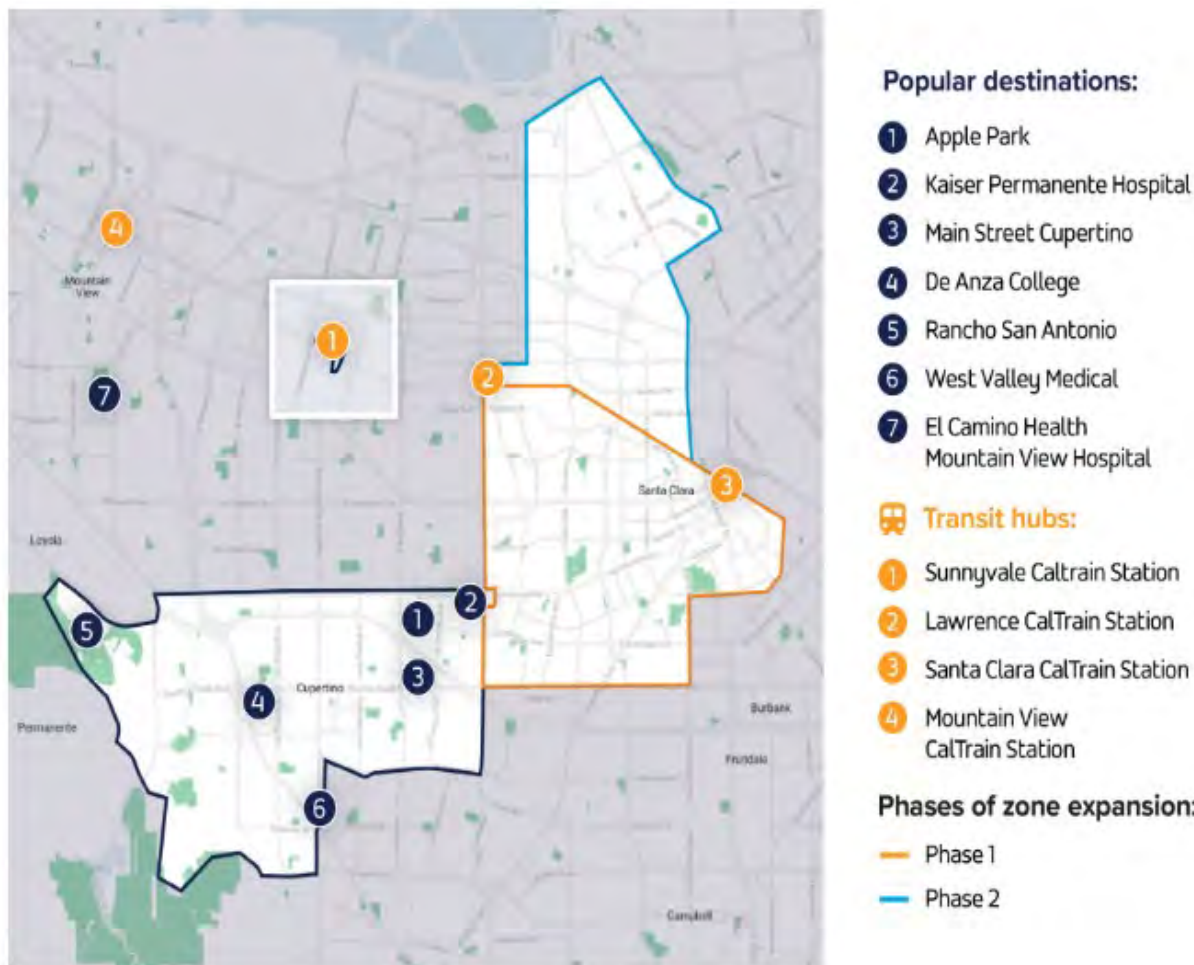
FIGURE 13.3-28: VTA TRANSIT MAP (2023)



The cities of Cupertino and Santa Clara have partnered on the Silicon Valley Hopper app-based ride-share program. The program will provide seamless EV ride share services with a \$3.50 fare between any two points within the service zone. The service will help residents get to major employment centers, hospitals, and rail transit stations. Phase I will serve South Santa Clara and Phase II will serve Central and North Santa Clara starting in 2027. Figure 13.3-29 shows a map of the Valley Hopper service area.



FIGURE 13.3-29: VALLEY HOPPER SERVICE AREA (2023)



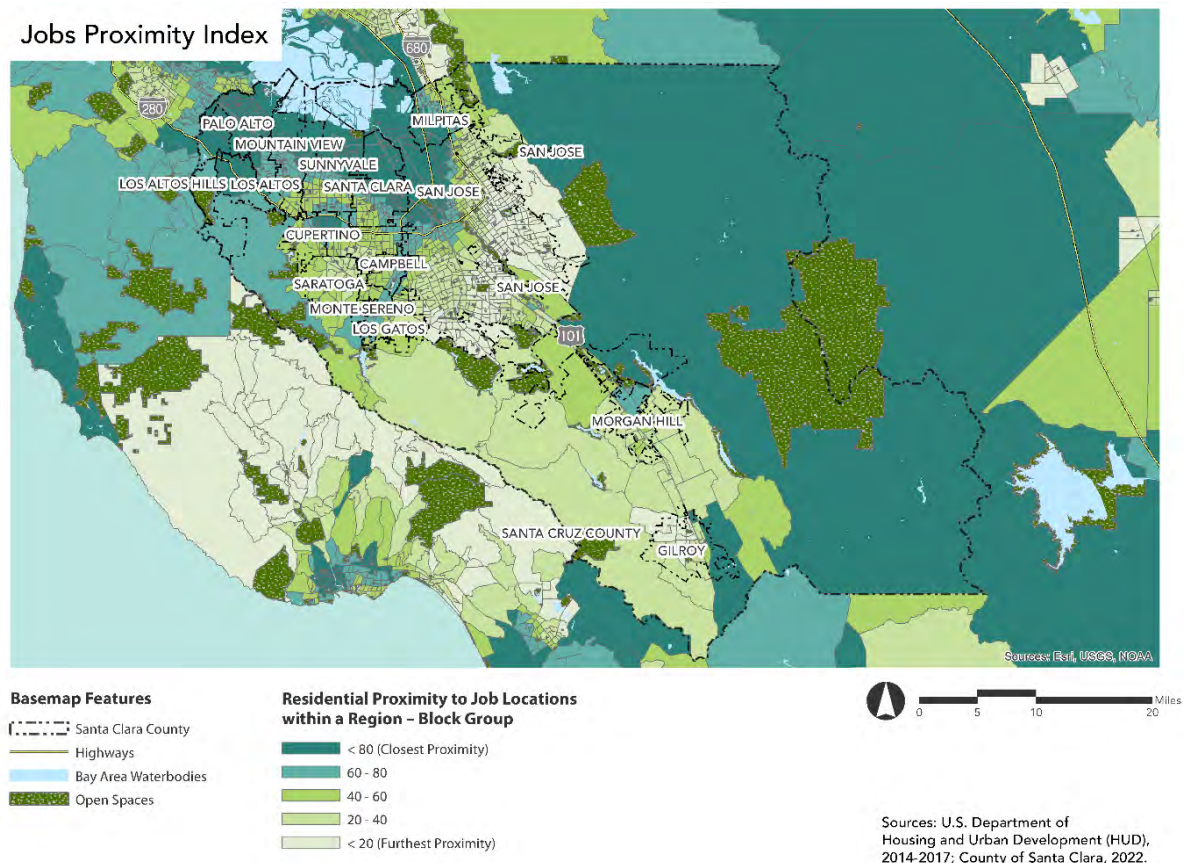
Economic Development

Employment opportunities are depicted by two indices: (1) the labor market engagement index and (2) the jobs proximity index. The labor market engagement index provides a summary description of the relative intensity of labor market engagement and human capital in a neighborhood, taking into account the unemployment rate, labor-force participation rate, and percent with a bachelor's degree or higher. The index ranges from 0 to 100, with higher values indicating higher labor force participation and human capital. The jobs proximity index quantifies the accessibility of a neighborhood to jobs in the region by measuring the physical distances between jobs and places of residence. It too varies from 0 to 100, and higher scores point to better accessibility to employment opportunities.

Regional Trends

In Santa Clara County, Black Non-Hispanic, White Non-Hispanic, Native American Non-Hispanic, and Asian or Pacific Islander residents all have similar index scores around 50, while Hispanic residents have an index score of 43.19. The map below shows the spatial variability of jobs proximity in Santa Clara County. Cities in northern Santa Clara County along the southern part of San Francisco bay have the highest jobs proximity index of 60 to 80 and 80 and above. This likely reflects the fact that these cities are closer to major economic regions of Silicon Valley and San Francisco. Southern and eastern San Jose have lower jobs proximity index scores (between 40 to 60, 20 to 40, and below 20) as these areas are further away from the economic hubs to the west. The cities of Saratoga, Los Gatos, Morgan Hill, and Gilroy have lower jobs proximity index scores as they are more residential than the surrounding cities. Morgan Hill and Gilroy are also in the southern part of the County, geographically further away from economic hubs. The TCAC scores for the region have some overlap with jobs proximity index scores. The northern and western parts of the County have the highest TCAC scores (above 75) which is the most positive economic outcome, while the eastern, central, and southern parts of the County have scores between 50 to 75, 25 to 50 and below 25 which is the least positive economic outcome. Again, eastern San Jose, Morgan Hill, and Gilroy have lower TCAC scores than other cities in the County.

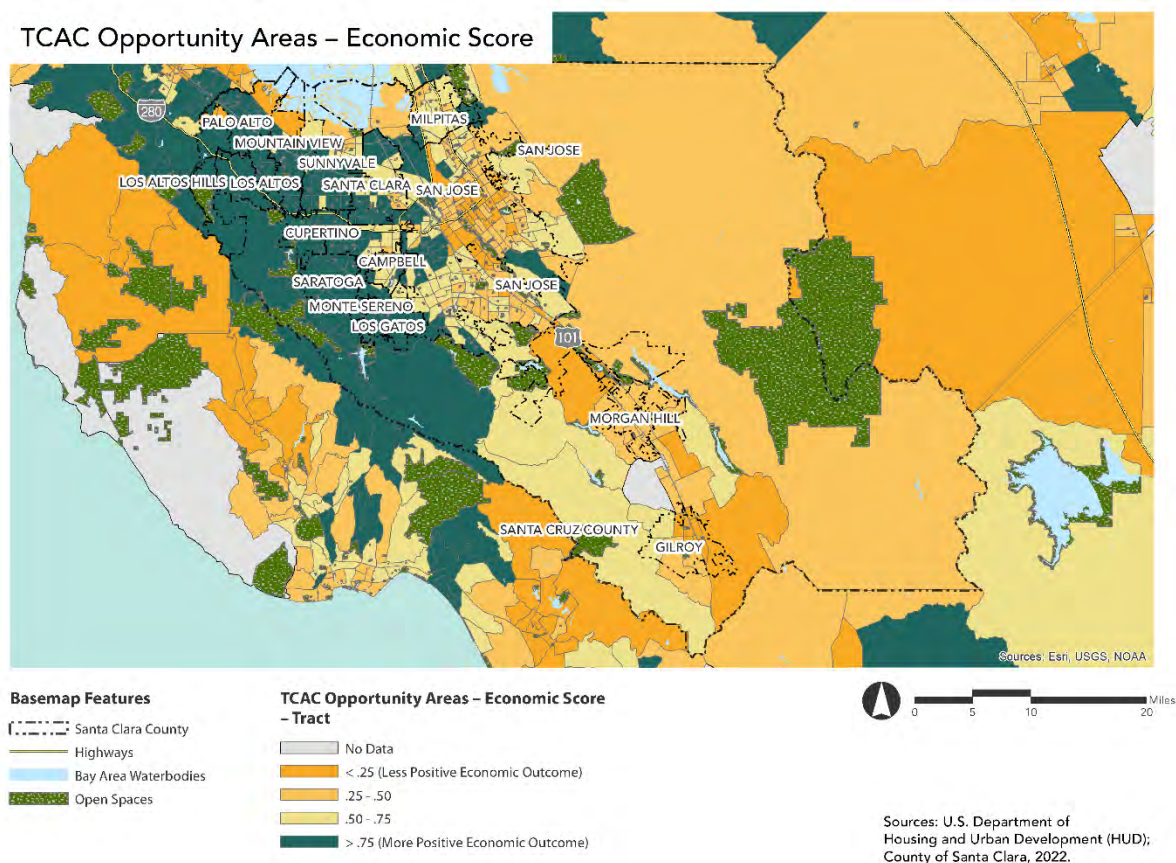
FIGURE 13.3-30: REGIONAL JOBS PROXIMITY INDEX (2021)





SANTA CLARA HOUSING ELEMENT

FIGURE 13.3-31: REGIONAL TCAC OPPORTUNITY AREAS – ECONOMIC SCORE (2021)



Local Trends

The northern and central parts of Santa Clara have the highest jobs proximity index scores (above 80) which indicates closest proximity. The southern part of the city has a mix of scores between 60 to 80 and 40 to 60, as they are further away from economic hubs in the northern and eastern parts of the County. The TCAC scores are more variable within the central part of the city with scores between 50 to 75, nearing the more positive economic outcome. Areas in the southern part of the City have scores as low as 25 to 50. The economic score takes into account levels of poverty, adult education, employment, job proximity, and median home value for the area. While job proximity is high for most of the city, income, education, and home values are more variable. Central Santa Clara has more LMI households and lower household median incomes, likely influencing this score. Nearby cities of Mountain, Sunnyvale, and Milpitas have similar jobs proximity index scores, while Milpitas has lower TCAC scores than the three other cities.

FIGURE 13.3-32: JOBS PROXIMITY INDEX – SANTA CLARA (2021)

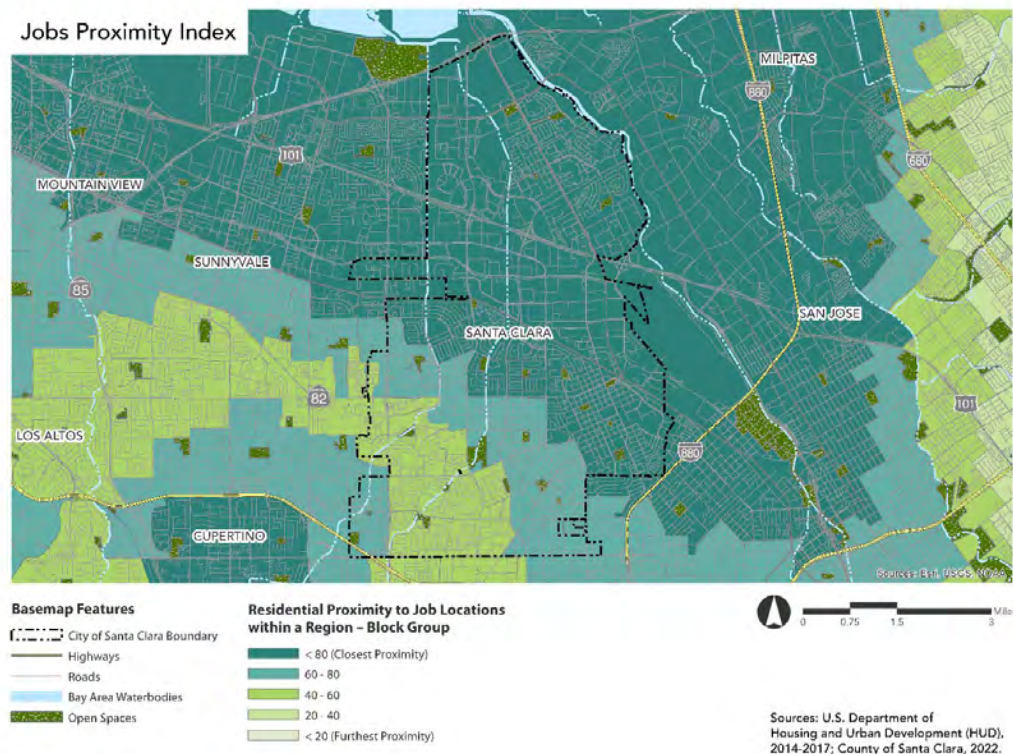
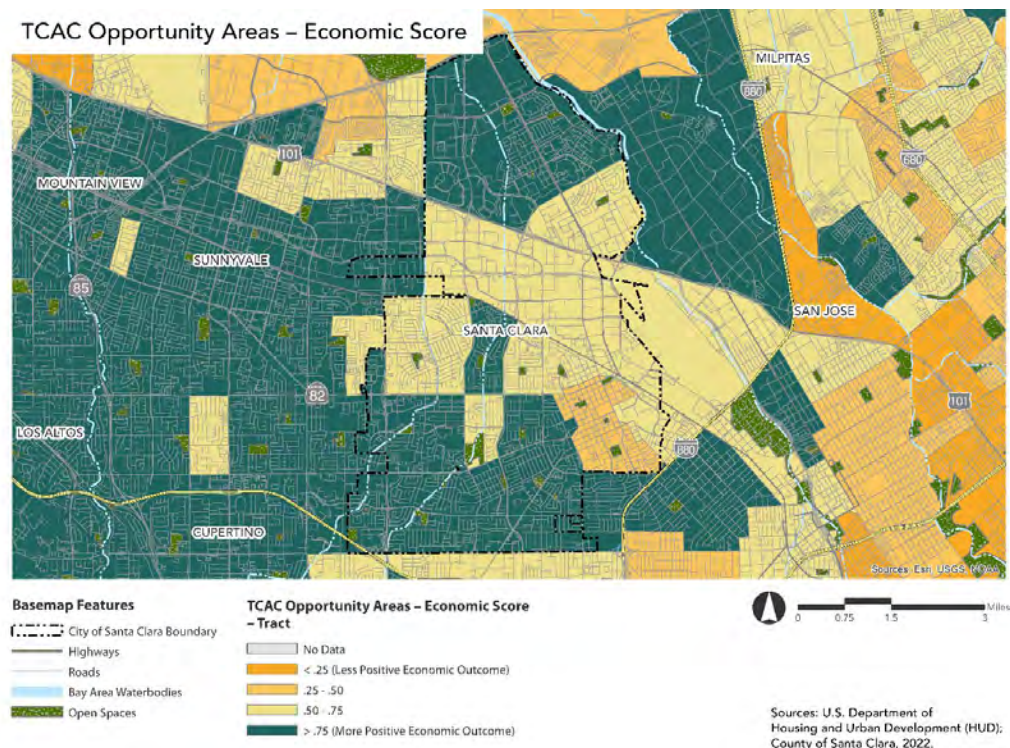


FIGURE 13.3-33: TCAC OPPORTUNITY AREA – ECONOMIC SCORE – SANTA CLARA (2021)





Environment

The Environmental Health Index summarizes potential exposure to harmful toxins at a neighborhood level. Index values range from 0 to 100 and the higher the index value, the less exposure to toxins harmful to human health. Therefore, the higher the value, the better the environmental quality of a neighborhood (where a neighborhood is a census block-group). Environmental health index scores are similar across all races, with scores in the mid-50s to 60. For populations below the poverty line, Native American Non-Hispanic residents have the highest score, of 63.36, while other groups have scores in the mid-50s.

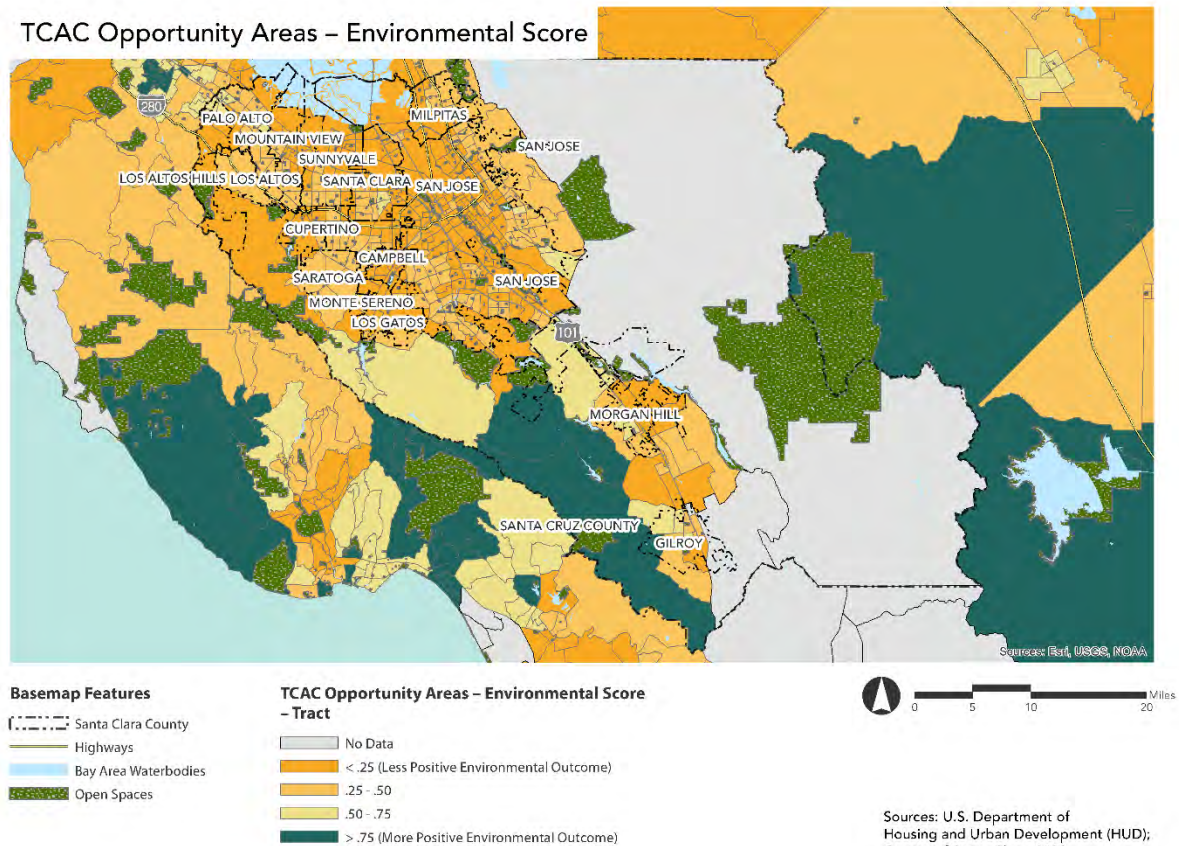
CalEnviroScreen was developed by the California Environmental Protection Agency (CalEPA) to evaluate pollution sources in a community while accounting for a community's vulnerability to the adverse effects of pollution. Measures of pollution burden and population characteristics are combined into a single composite score that is mapped and analyzed. Higher valued scores indicate higher cumulative environmental burden and population impacts.

The California Office of Environmental Health Hazard Assessment (OEHHA) compiles these scores to help identify California communities disproportionately burdened by multiple sources of pollution. In addition to environmental factors (pollutant exposure, groundwater threats, toxic sites, and hazardous materials exposure) and sensitive receptors (seniors, children, persons with asthma, and low birth weight infants), CalEnviroScreen also considers socioeconomic factors such as educational attainment, linguistic isolation, poverty, and unemployment.

Regional Trends

The map below displays the Environmental Score for Santa Clara County based on CalEnviroScreen 3.0 Pollution Indicators and Values that identify communities in California disproportionately burdened by multiple sources of pollution and that face vulnerability due to socioeconomic factors. Much of the County received scores below 25 to 50 percent, indicating a less positive environmental outlook. While these scores suggest high levels of vulnerable communities, the data has limitations. From the CalEnviroScreen website: "Opportunity mapping also has limitations. For example, maps' accuracy is dependent on the accuracy of the data behind them. Data may be derived from self-reported surveys of subsets of an area's population, and sometimes may not be recorded or reliable in some areas. Further, even the most recent publicly available datasets typically lag by two years, meaning they may not adequately capture conditions in areas undergoing rapid change. The methodology described in this document attempts to address each of these limitations to the degree possible."

FIGURE 13.3-34: REGIONAL TCAC OPPORTUNITY AREAS – ENVIRONMENTAL SCORE (2021)

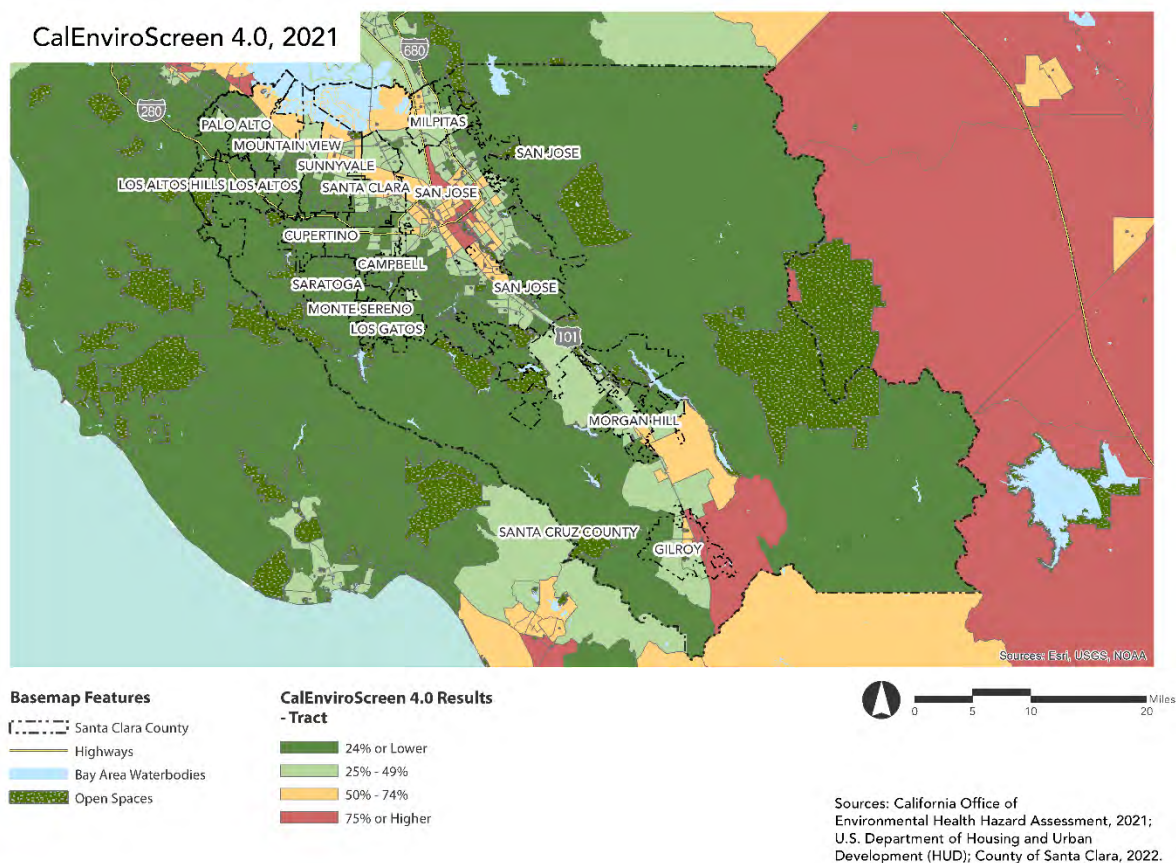


The map below displays updated scores for CalEnviroScreen 4.0 released by the California Office of Environmental Health Hazard Assessment, suggesting a more positive environmental outlook for the area. Much of the county has scores below 25 to 49 percent suggesting fewer adverse environmental impacts. There is a concentration in and around San Jose where scores are between 50 to 74 percent and 75 percent and higher indicating high levels of adverse environmental impacts. The eastern edge of Gilroy also reports scores of 75 percent or higher.



SANTA CLARA HOUSING ELEMENT

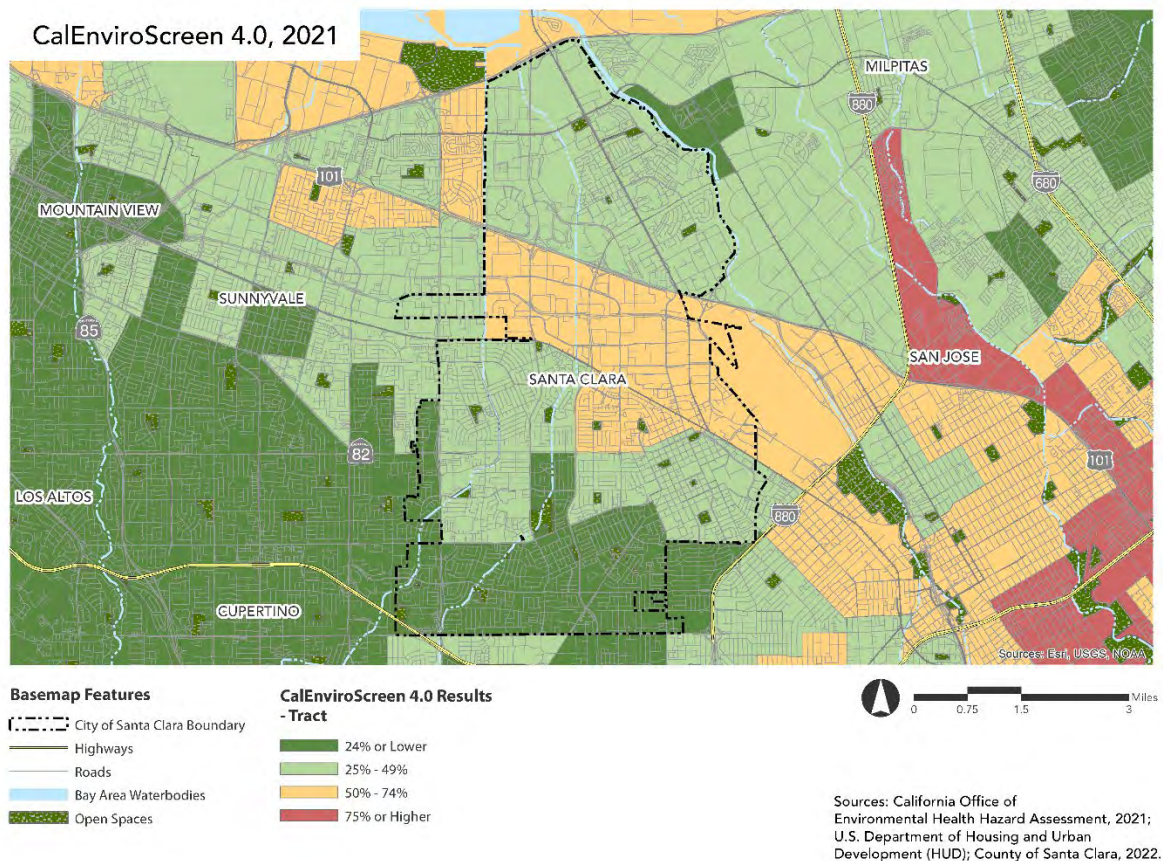
FIGURE 13.3-35: REGIONAL CALENVIROSCREEN 4.0 (2021)



Local Trends

The City of Santa Clara has the most positive CalEnviroScreen scores in the northern and southern parts of the city (25 to 49 percent and below 24 percent) while the central part of the city has scores between 50 to 74 percent. The central part of Santa Clara with less positive environmental scores is likely due to the fact that the area is predominantly industrial and is located between Highway 101 to the north, the Union Pacific Railroad Corridor to the south, and the San Jose International Airport to the east. The nearby cities of Mountain View, Sunnyvale, and Milpitas have CalEnviroScreen scores between 50 and 74 percent.

FIGURE 13.3-36: CALENVIROSCREEN 4.0 – SANTA CLARA (2021)



Health and Recreation

Residents should have the opportunity to live = in healthy communities. The Healthy Places Index (HPI) is a new tool that allows local officials to diagnose and change community conditions that affect health outcomes and the wellbeing of residents. The HPI tool was developed by the Public Health Alliance of Southern California to assist in comparing community conditions across the state, and combines 25 community characteristics such as housing, education, economic, and social factors into a single indexed HPI Percentile Score, where lower percentiles indicate less healthy conditions and higher scores indicate healthier conditions.

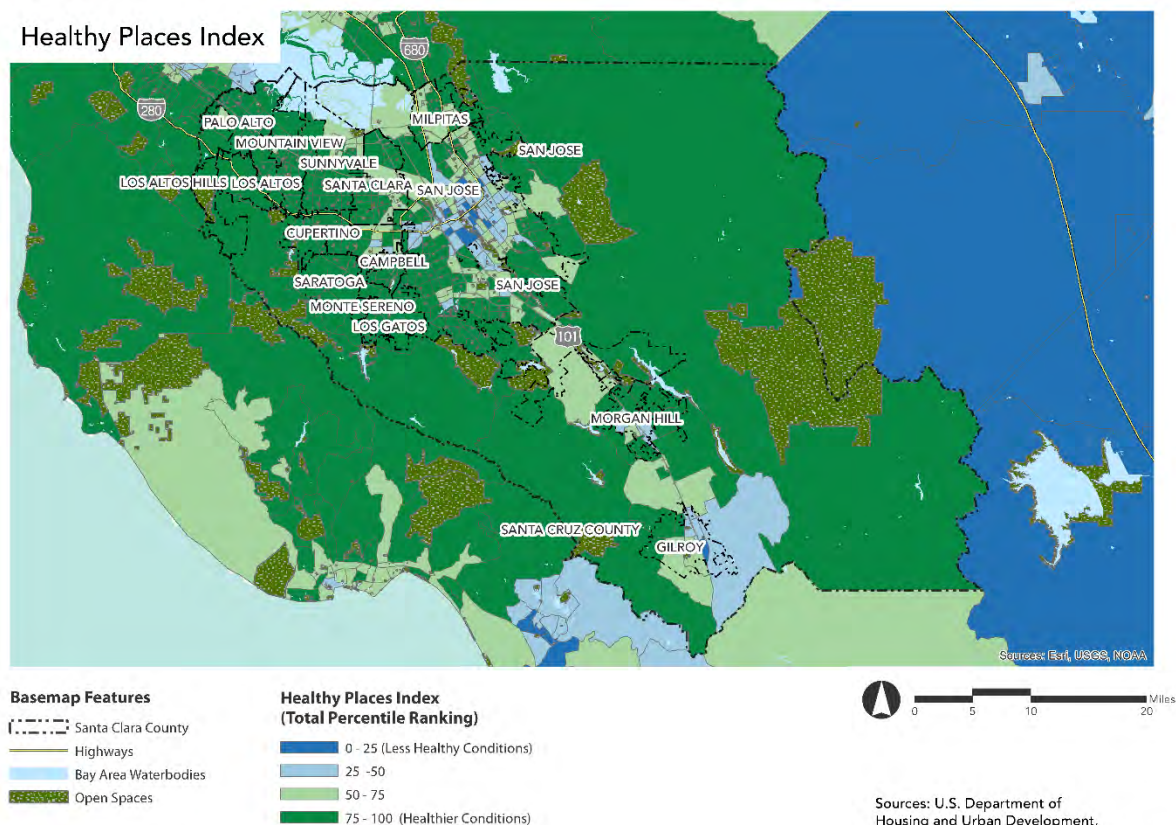
Regional Trends

The entire County has Healthy Places Index (HPI) scores between 50 to 75 and 75 to 100, indicating healthier conditions. The areas with the slightly lower scores of 50 to 75 are in Santa Clara, Milpitas, San Jose, Morgan Hill, and Gilroy.



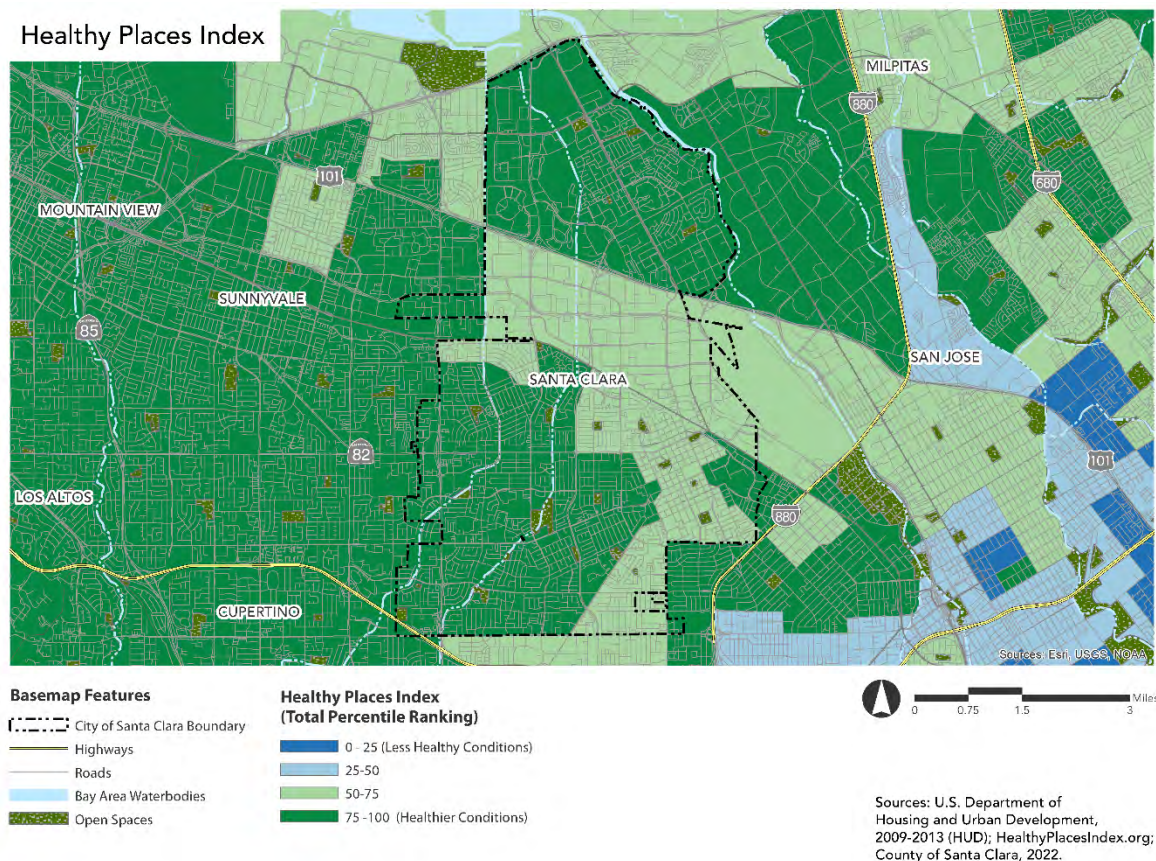
SANTA CLARA HOUSING ELEMENT

FIGURE 13.3-37: REGIONAL HEALTHY PLACES INDEX (2021)



Local Trends

Northern and southern parts of Santa Clara have HPI scores between 75 to 100 while central Santa Clara has scores between 50 to 75, reflecting the CalEnviroScreen scores. Mountain View and Sunnyvale have scores between 75 to 100 while Milpitas has more areas with scores between 50 to 75.

FIGURE 13.3-38: HEALTHY PLACES INDEX – SANTA CLARA (2021)

In summary Santa Clara has a mix of CTCAC opportunity area scores. The northern part of the city has moderate and high resources, the central part of the city has low resources, and the southern part of the city has a mix of low, moderate, high, and highest resources. The area with low resources also overlap with higher CalEnviroScreen Scores (more pollution), lower Healthy Places Index Scores, lower educational outcome scores, higher rates of LMI households, and areas with larger non-White populations. Job proximity is high for most of the city.

Disproportionate Needs

Disproportionate housing needs generally refers to a condition in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing need when compared to the proportion of members of any other relevant groups, or the total population experiencing that category of housing need in the applicable geographic area. The Comprehensive Housing Affordability Strategy (CHAS) developed by the Census for HUD provides detailed information on housing needs by income level for different types of households in Contra Costa County. Housing problems considered by CHAS include:

- Housing cost burden, including utilities, exceeding 30 percent of gross income;
- Severe housing cost burden, including utilities, exceeding 50 percent of gross income;



SANTA CLARA HOUSING ELEMENT

- Overcrowded conditions (housing units with more than one person per room); and
- Units with physical defects (lacking complete kitchen or bathroom)

According to the Santa Clara AFH, a total of 252,622 households (34.5 percent) in the County experience any one of the above housing problems; and 144,306 households (19.7 percent) experience severe housing problems. Based on relative percentage, Hispanic and Black households experience the highest rate of housing problems regardless of severity. Table 13.3-17 lists the demographics of households with housing problems in the County.

Table 13.3-17: Demographics of Households with Housing Problems in Santa Clara County

	<i>Total Number of Households</i>	<i>Households with Housing Problems</i>		<i>Households with Severe Housing Problems</i>	
White	88,554	329,170	26.9%	43,381	13%
Black	8,376	16,756	49.9%	4,813	28.7%
Asian/Pacific Islander	77,787	213,541	36.4%	44,730	20.9%
Native American	477	3,026	15.7%	286	9.4%
Other	6,137	48,509	12.65%	3,210	6.6%
Hispanic	71,291	213,541	36.4%	47,886	39.9%
Total	252,622	731,019	34.5%	144,306	19.7%

Source(s): Contra Costa County AI (2020)

Table 13.3-18: Household Type & Size in Santa Clara County

<i>Household Type</i>	<i>No. of Households with Housing Problems</i>
Family Households (< 5 people)	360,406
Family Households (> 5 people)	78,571
Non-family Households	171,734

Source(s): Contra Costa County AI (2020)

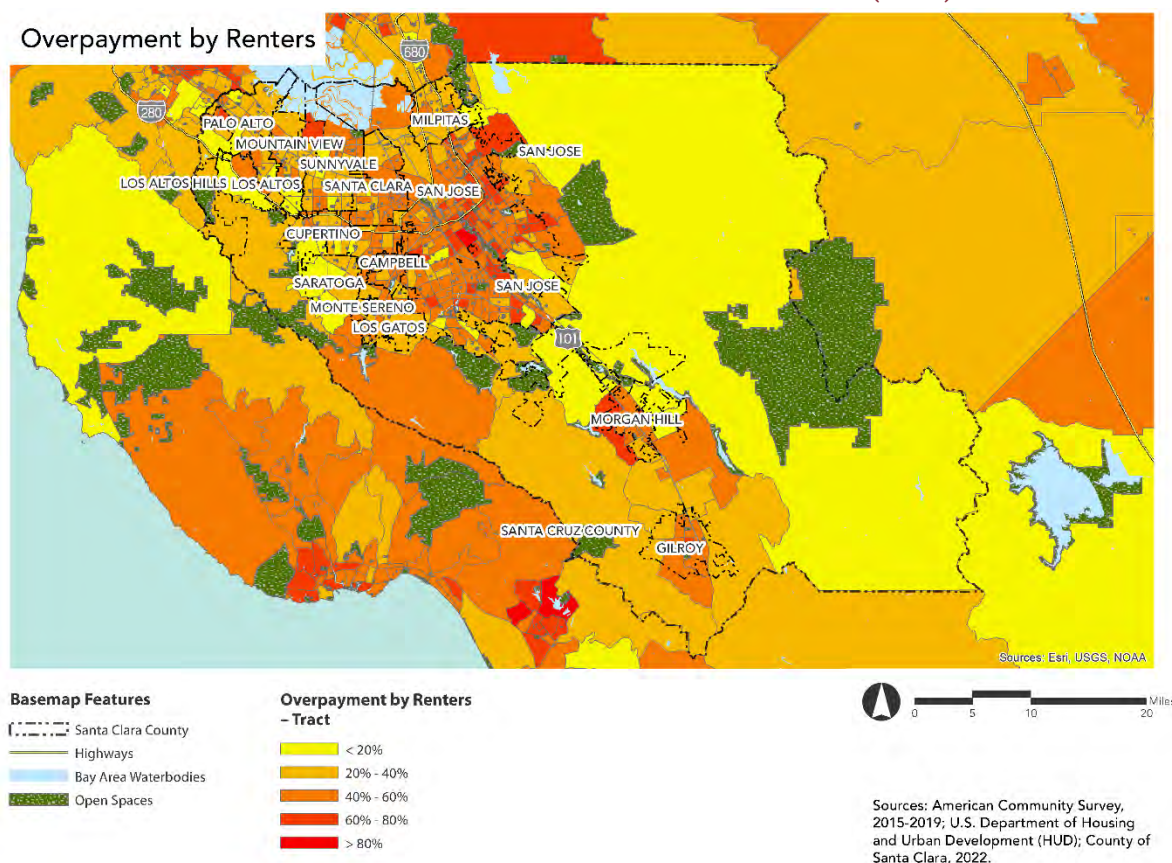
Cost Burden (Overpayment)

Housing cost burden, or overpayment, is defined as households paying 30 percent or more of their gross income on housing expenses, including rent or mortgage payments and utilities. Renters are more likely to overpay for housing costs than homeowners. Housing cost burden is considered a housing need because households that overpay for housing costs may have difficulty affording other necessary expenses, such as childcare, transportation, and medical costs.

Regional Trends

The map below identifies concentrations of cost-burdened renters in Mountain View, San Jose, and Morgan Hill. These cities have areas with renters experiencing overpayment above 80 percent. The rest of the County mostly has rates between 20 to 40 percent, 40 to 60 percent, and 60 to 80 percent. Areas along the eastern part of the County have lower overpayment rates below 20 percent.

FIGURE 13.3-39: REGIONAL OVERPAYMENT BY RENTERS (2021)



Local Trends

As presented in Table 13.3-19, 50.7 percent of all households in Santa Clara experience cost burdens. This rate is much higher for renters than owners (63 and 34.4 percent, respectively). The rate of cost burden for all households in the County is slightly lower at 49.7 percent, but the trend still stands with 64.2 percent of renters experiencing cost burden versus 38.6 percent of owners.

Table 13.3-19: Households that Experience Cost Burden by Tenure in Santa Clara County and Santa Clara

Santa Clara County



SANTA CLARA
HOUSING ELEMENT

Table 13.3-19: Households that Experience Cost Burden by Tenure in Santa Clara County and Santa Clara

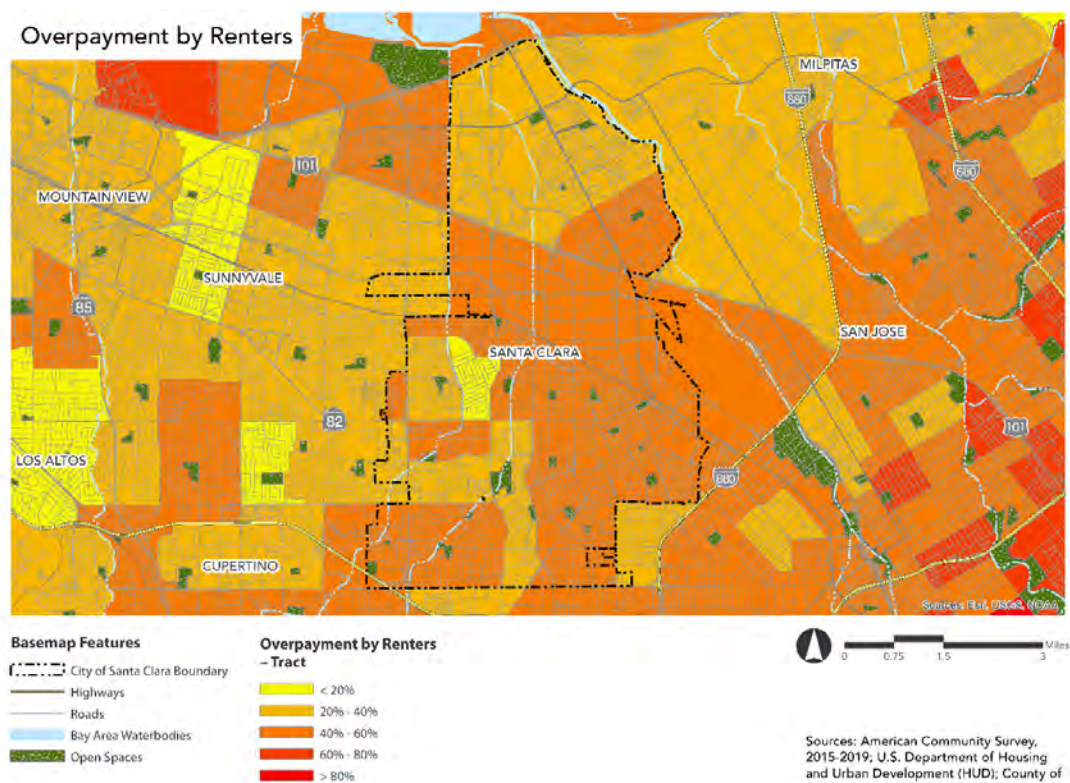
Total Number of Households		Cost burden > 30%	Cost burden > 50%	Percentage of Households that Experience Cost Burden
Owners Only	360,660	98,445	40,910	38.6%
Renters Only	274,865	118,960	57,610	64.2%
All Households	635,525	217,405	98,520	49.7%

Santa Clara

Total Number of Households		Cost burden > 30%	Cost burden > 50%	Percentage of Households that Experience Cost Burden
Owners Only	18,930	4,615	1,900	34.4%
Renters Only	25,150	10,505	5,365	63%
All Households	44,080	15,125	7,625	50.7%

Source(s): <https://www.huduser.gov/portal/datasets/cp.html>

FIGURE 13.3-40: OVERPAYMENT BY RENTERS – SANTA CLARA (2021)



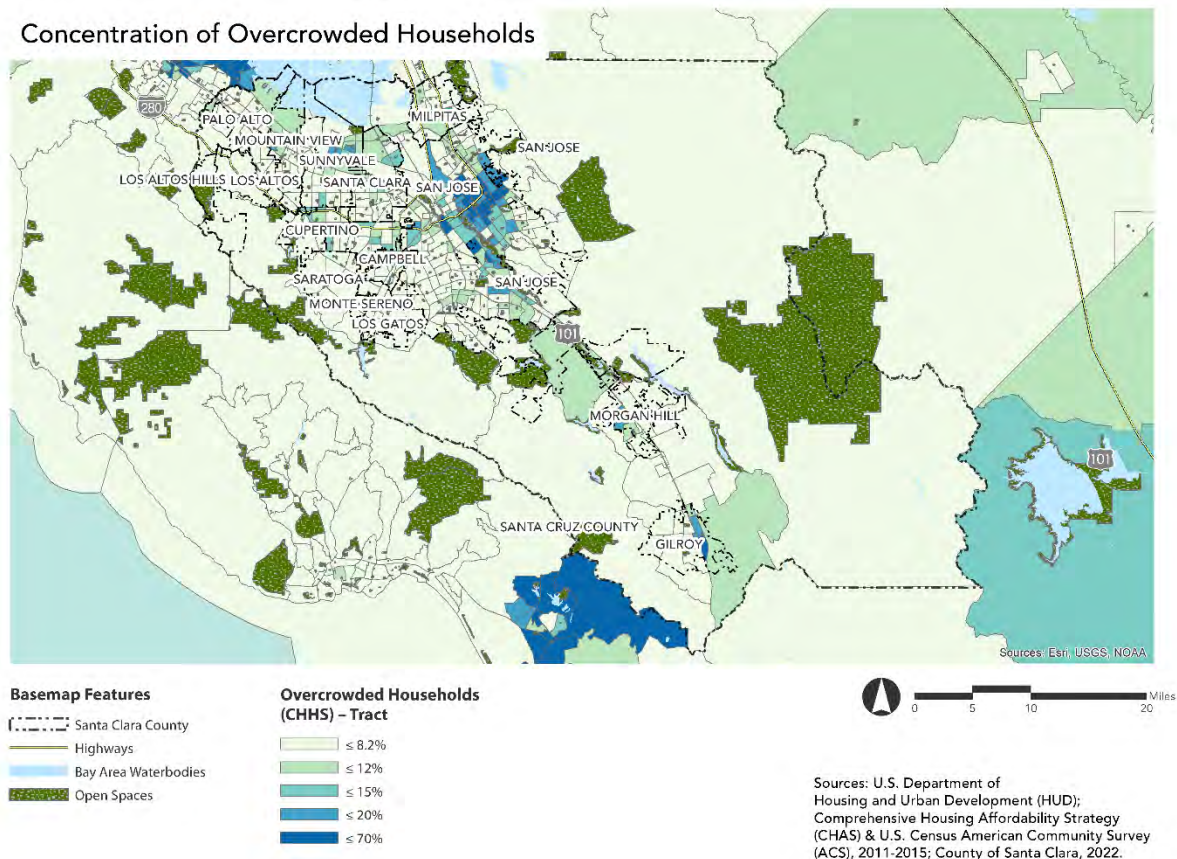
Overcrowded Households

Overcrowding is defined as housing units with more than one person per room (including dining and living rooms but excluding bathrooms and kitchen).

Regional Trends

Figure 13.3-41 indicates that most of the County has low rates of overcrowded households. San Jose has a concentration of overcrowded homes with percentages between 8.2 percent and as high as 70 percent. The rest of the County mostly has overcrowding rates below 12 percent.

FIGURE 13.3-41: REGIONAL OVERCROWDED HOUSEHOLDS BY TRACT (2015)



Local Trends

According to the 2019 five-year ACS estimates displayed in Table 13.3-20, 5.2 percent of County households are overcrowded, and 2.9 percent of households are severely overcrowded. These rates are higher for the City of Santa Clara with 6.2 percent of households experiencing overcrowding and 3.4 percent experiencing severe overcrowding. Across both the County and City, overcrowding and severe overcrowding rates are higher for renters than owners.



SANTA CLARA
HOUSING ELEMENT

Table 13.3-20: Overcrowded Households – Santa Clara County and Santa Clara

	<i>Santa Clara County</i>		<i>Santa Clara</i>	
	<i>Overcrowded (>1.0 to 1.5 persons per room)</i>	<i>Severely Overcrowded (>1.5 persons per room)</i>	<i>Overcrowded (>1.0 to 1.5 persons per room)</i>	<i>Severely Overcrowded (>1.5 persons per room)</i>
Owner-Occupied	1.4%	0.4%	0.9%	0.3%
Renter-Occupied	3.7%	2.4%	5.2%	3.1%
All HH	5.2%	2.9%	6.2%	3.4%

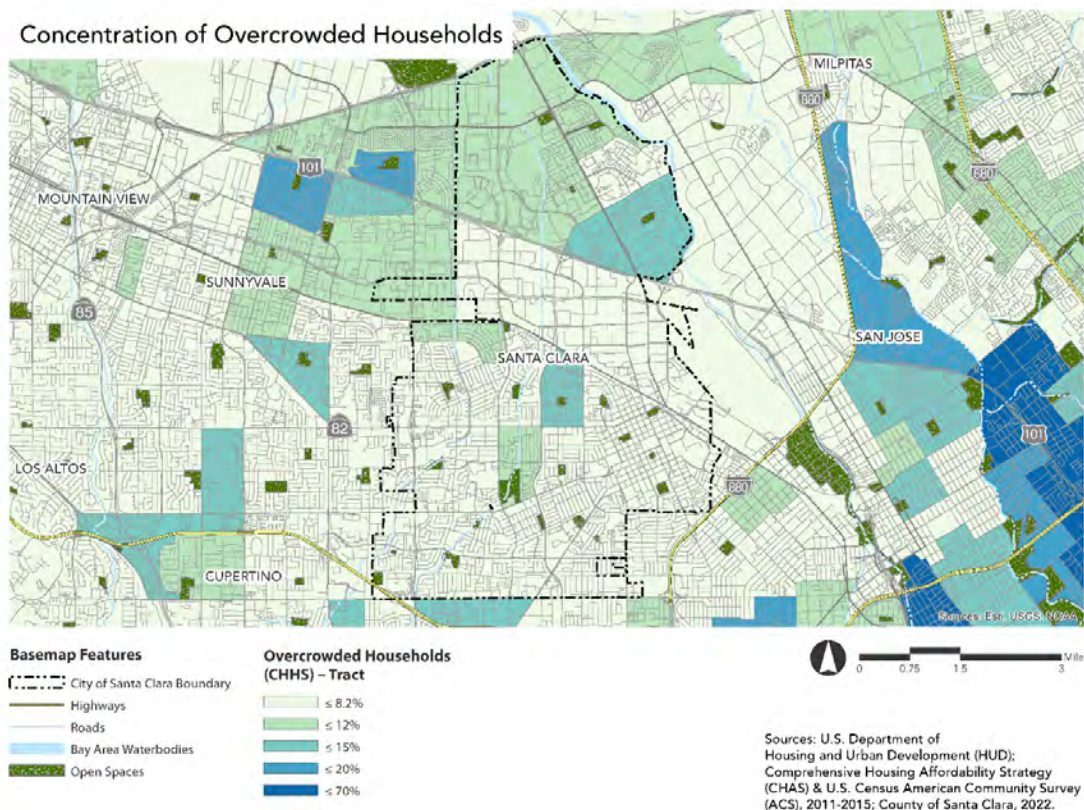
Source(s): American Community Survey, 2015-2019. Table B25014

The map below shows areas where overcrowding rates are higher in Santa Clara. The northern part of the city has overcrowding rates of 12 and 15 percent, with a small concentration in the southern part of the city with the same rates. The rest of the city has overcrowding rates below 8.2 percent. The northern part of the city has overcrowding rates of 12 and 15 percent and Asian residents are disproportionately concentrated in 3 out of 4 census tracts in this area. Hispanic and Latino residents are disproportionally concentrated in the census tract adjacent to De La Cruz Blvd. and Highway 101 with overcrowding rates at 15 percent. This census tract also overlaps with higher rates of HCV use (5 to 15 percent). The rest of the city has overcrowding rates below 8.2 percent.

In South Santa Clara the census tract north of El Camino Real bordered by San Tomas and Scott Blvd has an overcrowding rate of 15% and also has a disproportionately high number of Hispanic/Latino residents (24.5%). The census tract South of El Camino Real bounded by Kiely and San Tomas Expressway has an overcrowding rate of 12% and has a disproportionately high number of Asian residents (54%). The City's highest rates of overcrowding (15%) are impacting areas that are disproportionally populated by Hispanic/Latino residents.

The nearby city of Mountain View has overcrowding rates below 8.2 percent, while both Sunnyvale and Milpitas have overcrowding rates at 12 percent. Sunnyvale also has a few areas where the rate rises to 20 percent.

FIGURE 13.3-42: CONCENTRATION OF OVERCROWDED HOUSEHOLDS – SANTA CLARA (2021)



Substandard Conditions

Incomplete plumbing or kitchen facilities can be used to measure substandard housing conditions.

Regional Trends

According to 2015-2019 ACS estimates, 0.2 percent of households in Santa Clara County lack complete kitchen facilities and 0.2 percent of households lack complete plumbing facilities. Renter households are more likely to lack complete facilities compared to owner households.

Local Trends

In Santa Clara, 1.3 percent of households lack complete kitchen facilities and 0.2 percent lack complete plumbing facilities. Renter households are more likely to lack complete facilities compared to owner households. The City does not have recent citywide data on substandard conditions, however older lower rent apartment complexes are generally found along the west side of Lafayette north of Hwy 101, within the central city's industrial belt, and in the southeastern Old Quad area south of El Camino Real. These areas may experience a higher need for rehabilitation than other parts of the City that are predominantly single-family or newer multi-family homes. The City intends to gather more consistent data on substandard conditions



SANTA CLARA
HOUSING ELEMENT

through a new proactive multifamily code enforcement program. Although Santa Clara does have an aging housing stock with 21 percent of homes built between 1950 and 1959, 19 percent built between 1960 and 1969, and 17 percent built between 1970 to 1979⁴, rehabilitation programs have not been widely subscribed to. This may be due in part to the fact that housing stock is well maintained due to the high value of homes based on market conditions in the area. The City does recognize that housing stock continues to age therefore monitoring and enforcement will continue to be an ongoing operation as addressed by Action 4 of the Housing Plan which aims to maintain housing stock and specifically focus on rehabilitation for households with a gross income at or below 80 percent of the County median income.

Table 13.3-21: Substandard Housing Conditions – Santa Clara County and Santa Clara

	<i>Santa Clara County</i>			<i>Santa Clara</i>		
	<i>Owner</i>	<i>Renter</i>	<i>All HHs</i>	<i>Owner</i>	<i>Renter</i>	<i>All HHs</i>
Lacking complete kitchen facilities	0.2%	0.7%	0.9%	0.3%	1%	1.3%
Lacking complete plumbing facilities	0.1%	0.1%	0.2%	0.2%	.05%	0.2%

Source(s): American Community Survey, 2015-2019, Table B25053, B25049

In summary, by percentage Hispanic and Black households experience the highest rate of housing problems regardless of severity across Santa Clara County. Based on absolute numbers, Hispanic/Latino, Asian and Pacific Islander, and White households have the largest number of people with severe housing problems in the County. Overcrowding rates in the City of Santa Clara are higher than the County rates with 6.2 percent of households experiencing overcrowding and 3.4 percent experiencing severe overcrowding. The northern part of the city and a few areas in Southern Santa Clara have overcrowding rates of 12 and 15 percent. Overcrowding is occurring in areas that are disproportionately populated by Asian and Hispanic/Latino residents.

⁴ Towncharts.com

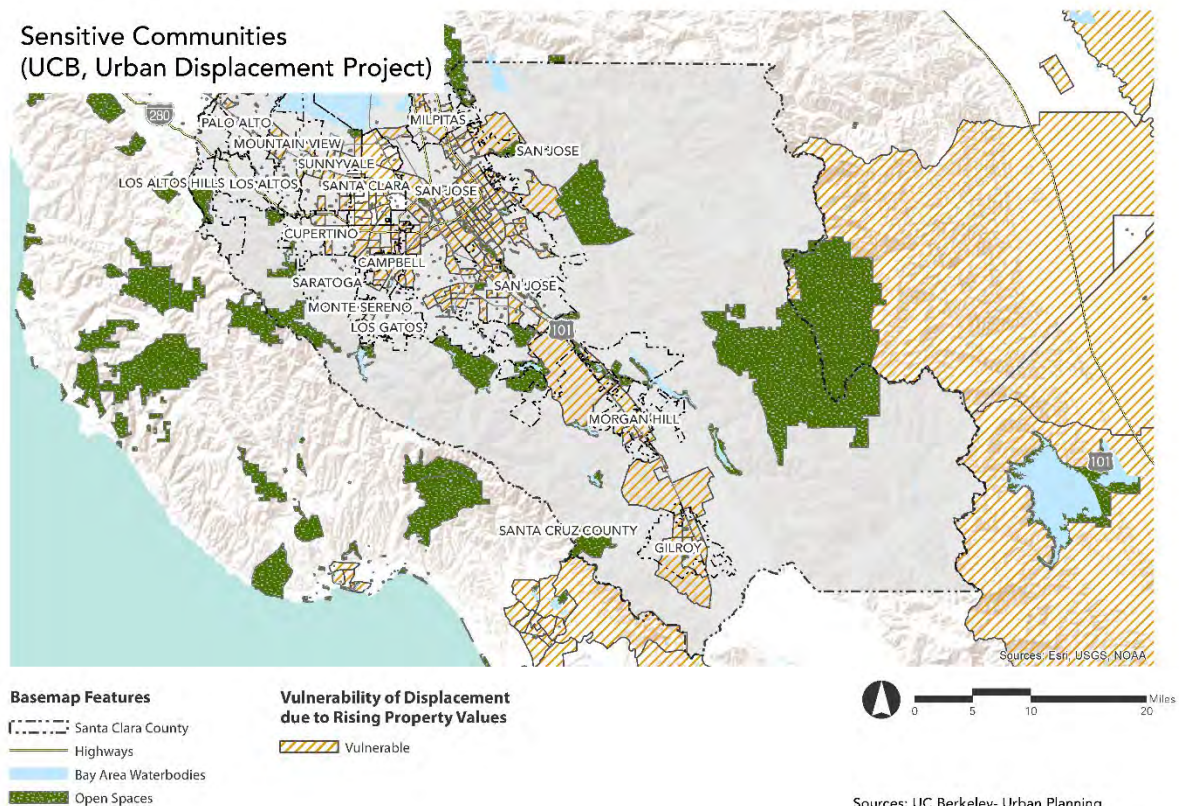
Displacement Risk

Displacement occurs when housing costs or neighboring conditions force current residents out and rents become so high that lower-income people are excluded from moving in. UC Berkeley's Urban Displacement Project states that a census tract is a sensitive community if the proportion of very low income residents was above 20 percent in 2017 and the census tracts meets two of the following criteria: (1) Share of renters above 40 percent in 2017; (2) Share of Non-White population above 50 percent in 2017; (3) Share of very low-income households (50 percent AMI or below) that are also severely rent burdened households above the county median in 2017; or (4) Nearby areas have been experiencing displacement pressures.

Regional Trends

Using this methodology, there are a number of areas in Santa Clara County identified as sensitive communities. Sensitive communities primarily lie along the Highway 101 corridor ranging from Sunnyvale to Gilroy and extend out to Cupertino in the west and east San Jose in the east. Housing prices in this area have continued to rise as the technology industries boom in Silicon Valley, explaining the high percentage of areas in the County identified as sensitive communities.

FIGURE 13.3-43: REGIONAL SENSITIVE COMMUNITIES AT RISK OF DISPLACEMENT BY TRACT (2021)



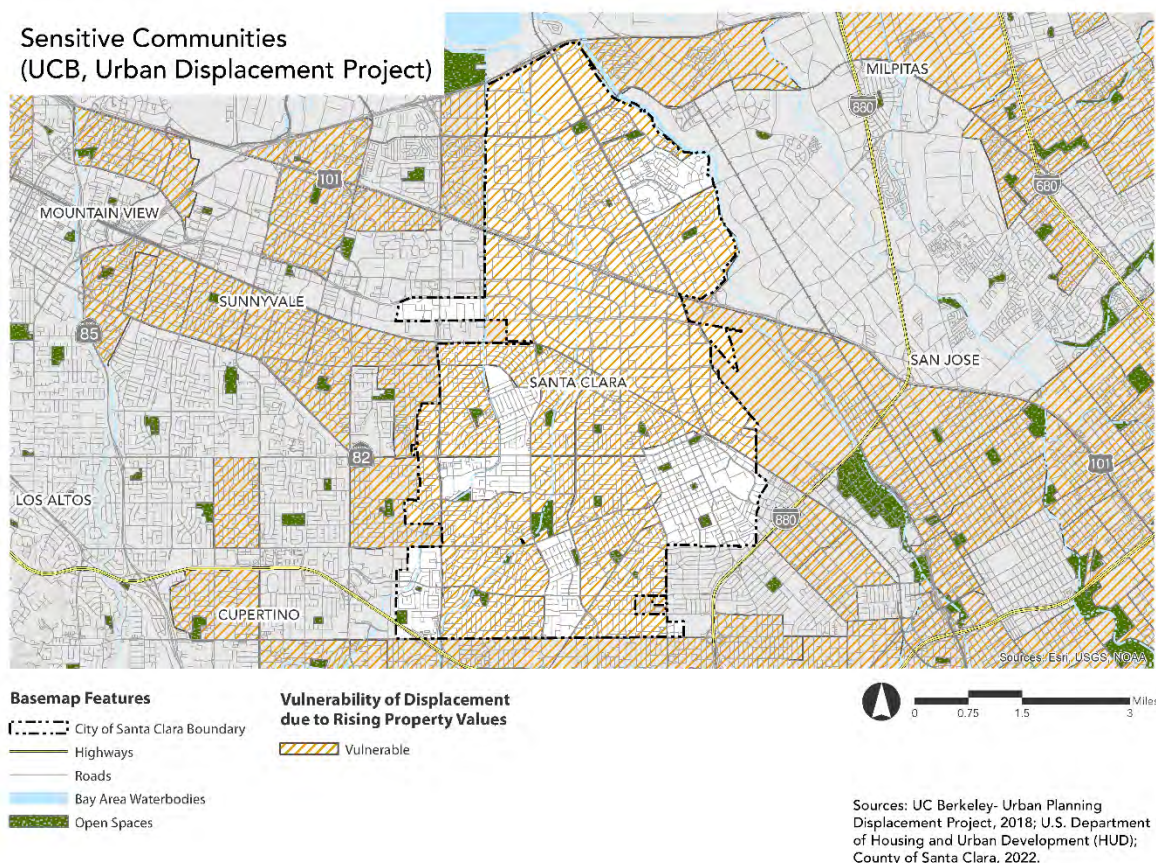


SANTA CLARA HOUSING ELEMENT

Local Trends

Most of Santa Clara was identified as a sensitive community, with only a few tracts in the south not identified as sensitive communities. Mountain View, Sunnyvale, and Milpitas also have areas identified as sensitive communities, albeit fewer than Santa Clara. Despite much of the City being identified as a sensitive community, the City has not yet seen much direct displacement of current residents as a result of redevelopment. Development in the City has primarily occurred with the rezoning of existing commercial and industrial properties into higher density multi-family housing. Despite the low current rate of displacement, the City has proactively developed actions to address the potential for future displacement. Both action 6 and action 13, outlined in Table 13.3-23 below actively work to mitigate residential displacement by exploring funding to support affordable housing acquisition and rehabilitation and program and policy development to prevent displacement.

FIGURE 13.3-44: SENSITIVE COMMUNITIES (UCB, URBAN DISPLACEMENT PROJECT) – SANTA CLARA (2021)



In summary while direct displacement due to redevelopment has not occurred often in recent years, it is likely that indirect displacement due to high rents and home prices across the Bay

Area is contributing to overcrowding and is forcing people to move away from Santa Clara. It is possible that development pressure has been focused on the City's specific plan areas and that once these areas are built out, developers may look to redevelop older lower density buildings that are naturally occurring affordable housing. This indicates a need to build more affordable housing, and policies that prevent a net loss of affordability if older market rate buildings are redeveloped, and to potentially require relocation assistance for displaced residents.

AFFH Analysis of the Sites Inventory

An important part of the AFFH analysis is looking at where the site inventory is directing housing growth and how that will replace segregated living patterns with integrated and balanced living patterns and convert any racially or ethnically concentrated areas that may exist into areas of opportunity for households at all income levels. The site inventory in chapter 13.3 places 82% of the City's housing growth over the next 8 years into in HCD/TCAC Opportunity Map High or Highest Resource areas. The site inventory includes a buffer of additional units above the required RHNA so the following figures exceed 100%.

- 101 percent of the City's Very Low Income RHNA units are located in High or Highest Resource areas.
 - VLI RHNA = 2,872 units.
 - VLI Units in Sites Inventory: 251 in Highest Resource Areas (9% of VLI RHNA) and 2,640 in High Resource Areas (92% of VLI RHNA).
- 147 percent of the City's Low Income RHNA units located in High or Highest Resource areas.
 - LI RHNA = 1,653 units.
 - LI Units in Sites Inventory: 361 in Highest Resource Areas (22% of LI RHNA) and 2,075 in High Resource Areas (126% of LI RHNA).
- 124 percent of the City's Moderate RHNA units located in High or Highest Resource areas.
 - Moderate RHNA = 1,981 units.
 - Moderate Units in Sites Inventory: 108 in Highest Resource Areas (5% of Moderate RHNA) and 2,349 in High Resource Areas (119% of Moderate RHNA).
- 165 percent of the City's Above Moderate RHNA units located in High or Highest Resource areas.
 - Above Moderate RHNA = 5,126 units.
 - Above Moderate Units in Sites Inventory: 161 in Highest Resource Areas (3% of Above Moderate RHNA) and 8,294 in High Resource Areas (162% of Above Moderate RHNA).

The following table provides additional details on which types of units are located in different HCD/TCAC opportunity Map Areas:



**SANTA CLARA
HOUSING ELEMENT**

Table 13.3-22: Sites Inventory Units by HCD/TCAC Opportunity Map Area

	Affordability Category				
Site/Credit Type	VLI	LI	Mod.	Above Mod.	Total Capacity
RHNA	2,872	1,653	1,981	5,126	11,632
Pending and Approved Projects	668	746	512	10,218	12,144
<i>Tasman East Focus Area SP</i>	111	234	179	3,842	4,366
<i>Patrick Henry Drive SP</i>	76	75	75	1,294	1,520
<i>Lawrence Station Area Plan</i>	-	5	57	635	697
<i>Freedom Circle Focus Area</i>	54	54	54	913	1,075
<i>Other</i>	427	378	147	3,534	4,486
ADU Projection	118	118	118	39	393
Available Specific Plan Sites	2,105	1,561	1,883	314	5,863
<i>Tasman East Focus Area SP</i>	214	156	458	295	1,123
<i>Patrick Henry Drive SP</i>	1,747	1,299	1,299	-	4,345
<i>Lawrence Station Area Plan</i>	144	106	126	19	395
El Camino Real Rezoning Sites	497	378	366	-	1,242
Total	3,388	2,803	2,879	10,571	19,642
<i>Surplus Units</i>	516	1,150	898	5,445	8,010
<i>Surplus Percentage Above RHNA</i>	18%	70%	45%	106%	69%

HCD/TCAC Opportunity Map Areas

Highest Resource				High Resource				Moderate Resource				Low Resource			
VLI	LI	Mod.	Above Mod.	VLI	LI	Mod.	Above Mod.	VLI	LI	Mod.	Above Mod.	VLI	LI	Mod.	Above Mod.
148	271	20	145	361	367	345	7,983	53	29	67	682	106	79	80	1,408
				111	234	179	3,842								
				76	75	75	1,294								
									5	57	635				
				54	54	54	913								
148	271	20	145	120	4	37	1,934	53	24	10	47	106	79	80	1,408
47	47	47	16	47	47	47	16	18	18	18	6	6	6	6	2
				1,961	1,455	1,757	295	144	106	126	19				
				214	156	458	295								
				1,747	1,299	1,299									
								144	106	126	19				
56	43	41	-	271	206	200	-	170	129	125	-	-	-	-	-
251	361	108	161	2,640	2,075	2,349	8,294	385	282	336	707	112	85	86	1,410

4%	Highest Resource	78%	High Resource	9%	Moderate Resource	9%	Low Resource
----	------------------	-----	---------------	----	-------------------	----	--------------



SANTA CLARA HOUSING ELEMENT

Northern and Central Santa Clara

As shown in Figure 13.3-45, this area has large amounts of industrial, office and commercially designated land in the western portion of this area with existing neighborhoods to the east. The site inventory includes multifamily opportunities mostly in the Lawrence Station Area, Patrick Henry Drive Specific Plan Area, and the Tasman East Specific Plan Area where industrial and commercial land is being converted into mixed use residential areas near transit. The City assumes that accessory dwelling units (ADUs) will continue current trends and develop in single family areas throughout Northern Santa Clara. ADUs are an effective way to add lower income housing opportunities in existing single-family neighborhoods. ADUs will also help respond to higher rates of overcrowding in Northern Santa Clara. Figure 13.3-46 shows that the site inventory is mostly distributed in TCAC High Opportunity Areas.

FIGURE 13.3-45: NORTHERN AND CENTRAL SANTA CLARA SITES INVENTORY AND LAND USE

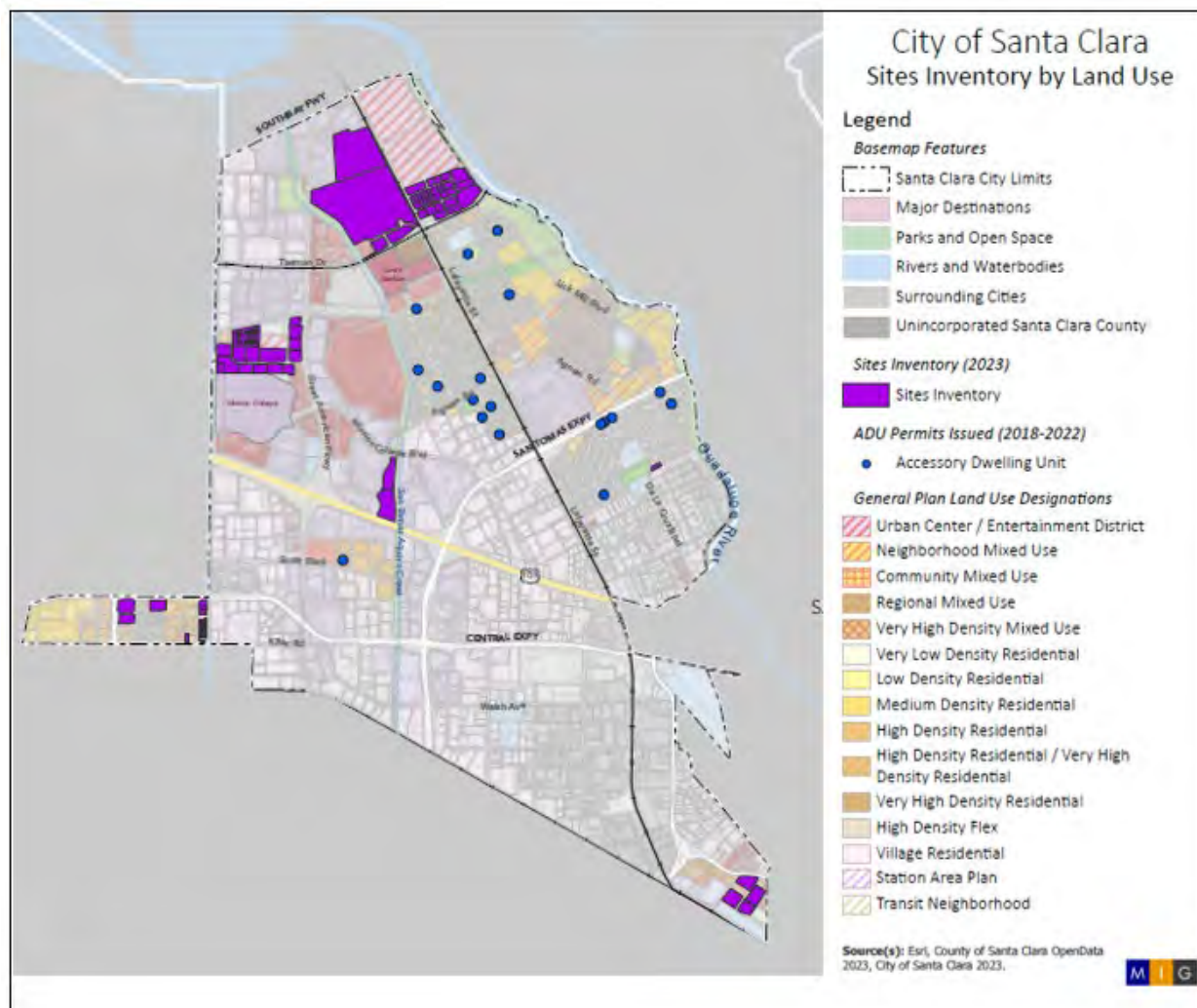
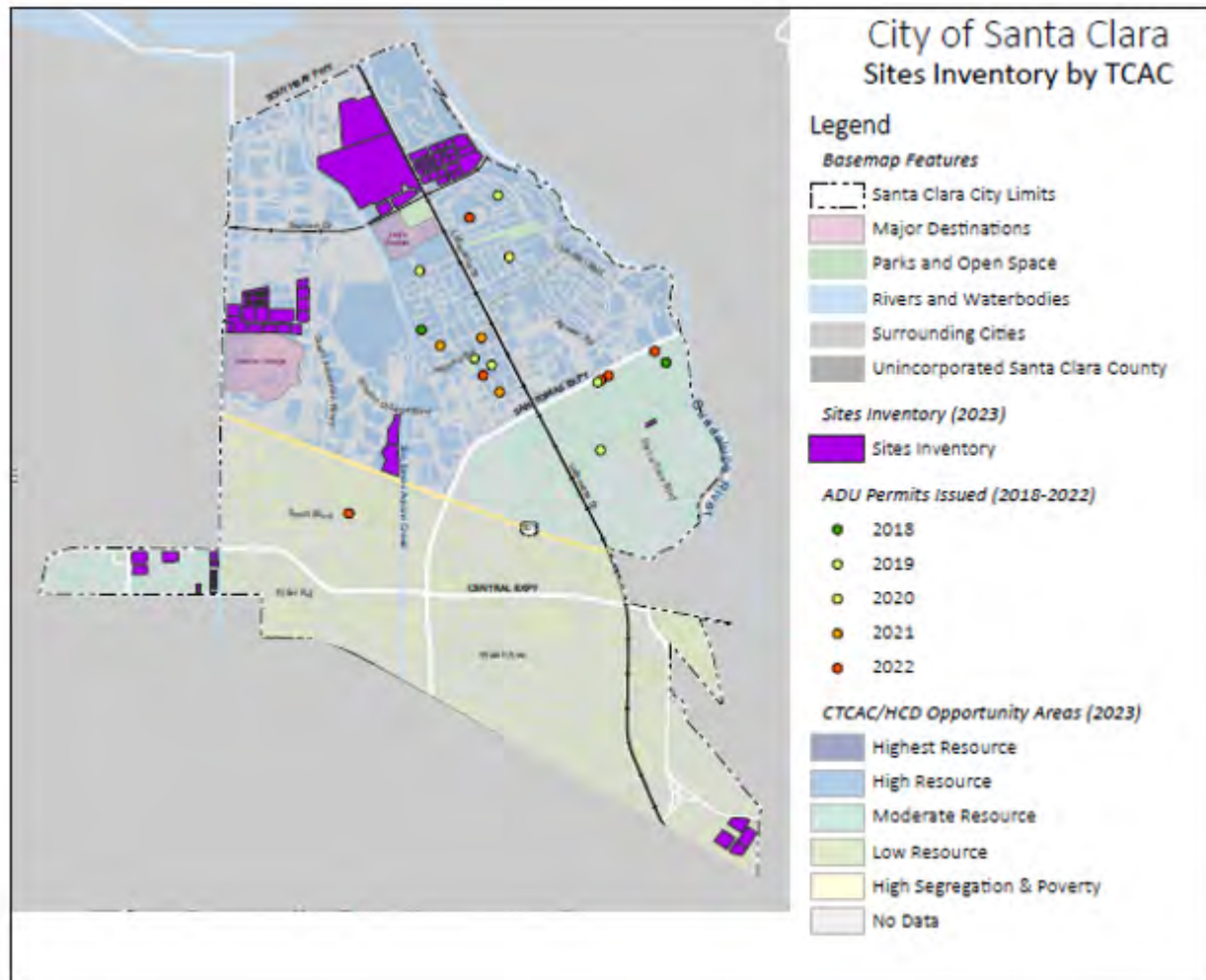


FIGURE 13.3-46: NORTHERN AND CENTRAL SANTA CLARA SITES INVENTORY AND TCAC OPPORTUNITY AREAS





SANTA CLARA HOUSING ELEMENT

Southern Santa Clara

The site inventory includes multifamily opportunities near transit, including along the El Camino Real corridor, and near the Santa Clara Station Area, and Downtown Santa Clara Precise Plan Area. The City assumes that accessory dwelling units (ADUs) will continue current trends and develop in single family areas throughout Southern Santa Clara. ADUs are an effective way to add lower income housing opportunities in existing single-family neighborhoods which are among the highest opportunity areas in the City. Figure 13.3-48 shows that the sites inventory is distributed across highest, high, and moderate resource TCAC High Opportunity Areas.

FIGURE 13.3-47: SOUTHERN SANTA CLARA SITE INVENTORY AND LAND USE

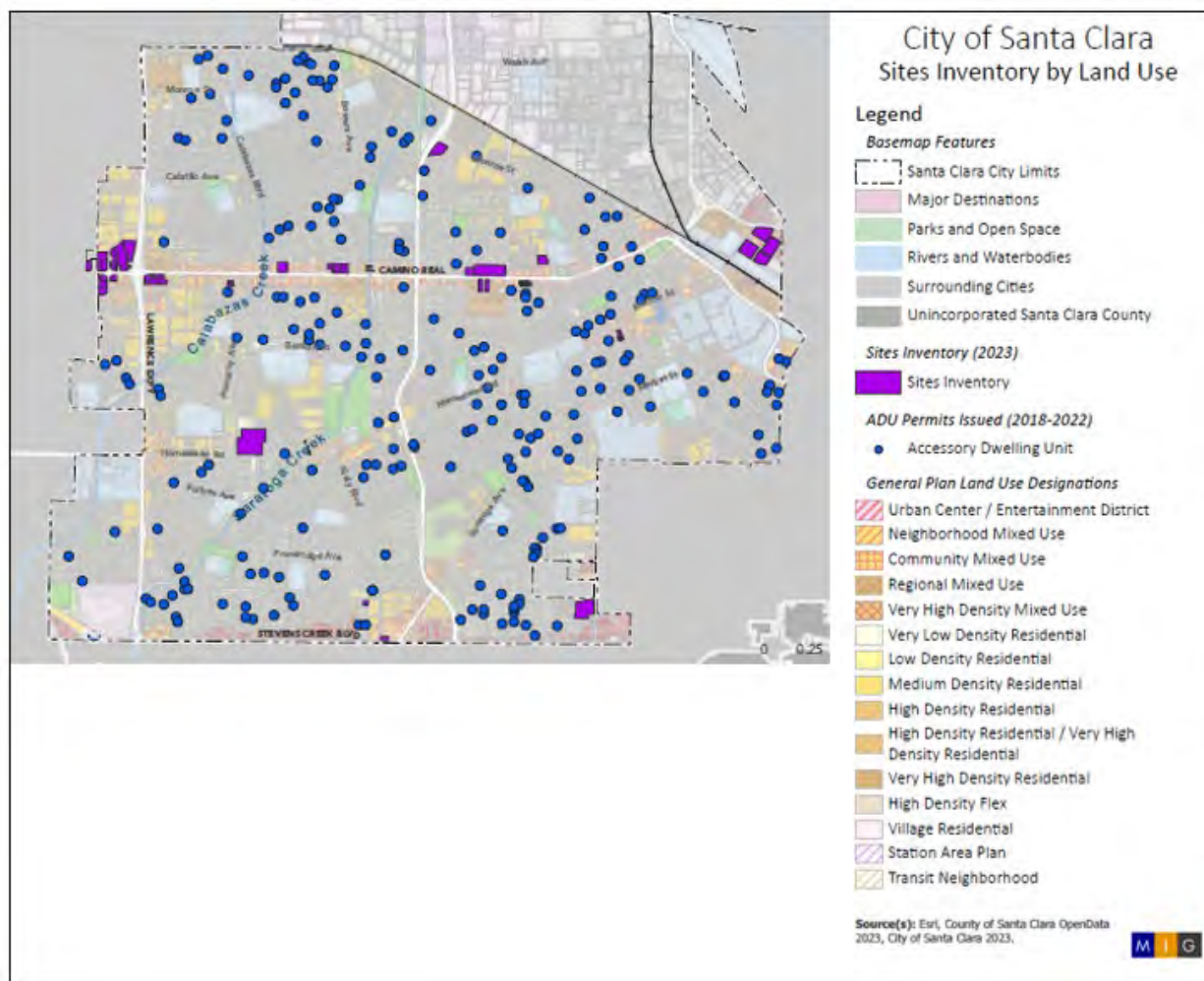
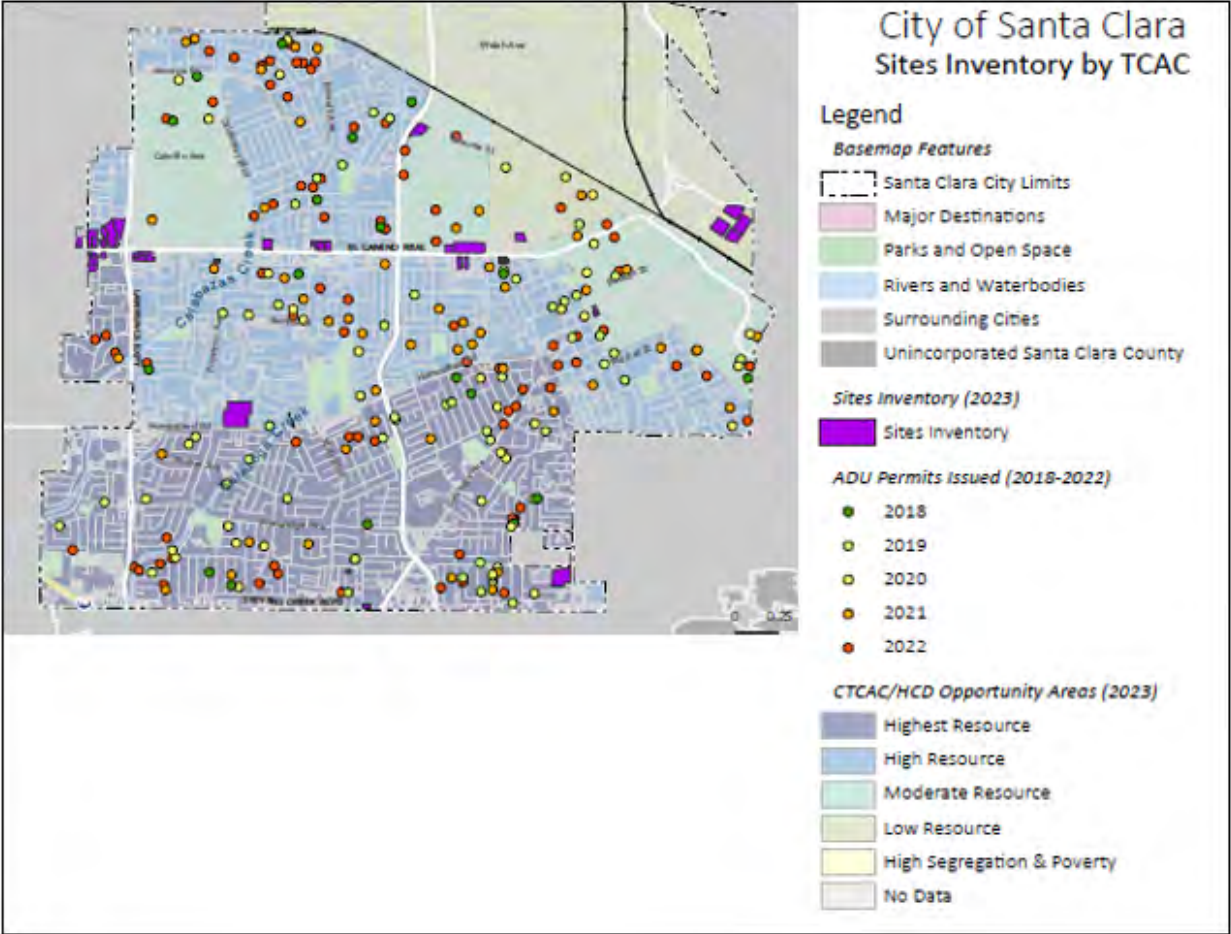


FIGURE 13.3-48: SOUTHERN SANTA CLARA SITES INVENTORY AND TCAC OPPORTUNITY AREAS





CONTRIBUTING FACTORS

Based on stakeholder outreach and the above analysis, the City has identified the following contributing factors to housing issues in Santa Clara. Table 13.3-23, prioritizes these contributing factors according to what would most limit or deny fair housing choice or access to opportunity. Meaningful actions listed in Chapter 13.2 that affirmatively further fair housing, promote housing opportunities throughout the community for protected classes, and address contributing factors are also included in the table.

Table 13.3-23: AFFH Meaningful Actions Matrix

Issues	Contributing Factors	Actions / Objectives (Specific Commitments)	Timeline / Metrics	Geographic Targeting	Priority (Low, Medium, High)
Segregation/Integration Patterns and Disparities in Access to Opportunity					
It can still be difficult to find sites for single room occupancy, emergency shelter, low barrier navigation centers, permanent supportive housing, and residential care facilities.	Zoning requirements that make developing a diversity of housing types difficult. Type and size of affordable housing units	Action 1: Provision of Variety of Housing Types Adopt the comprehensive Zoning Ordinance Update with revised provisions to allow a variety of housing types by right. Annually explore regional and state funding sources to build more housing opportunities for persons with disabilities and extremely low-income households. And through the provisions of a notice of funding availability (NOFA), prioritize loans for the development of extremely low and very low-income housing alternatives.	November 2023 and 2026	Citywide with additional funding prioritized in high and highest opportunity areas within a half mile of high frequency bus and rail corridors.	HIGH
It is difficult to find low- and moderate-income rental housing in the City’s highest opportunity areas.	South Santa Clara includes established single-family neighborhoods where home prices are out of reach for low- and moderate-income residents.	Action 7: Monitor ADU activity and report on the production of ADUs through the City’s Annual Progress Report (APR). If the pace of ADU production falls below the level necessary to achieve 392 ADUs during the 2023-2031 planning period, present a plan to City Council to remove barriers and/or further incentivize ADU production (e.g., through additional Zoning changes). Continue participating in the development and implementation of the Santa Clara County Planning Collaborative ADU Program, which will include a central online resource for making it easier to build ADUs, including an ADU Guidebook, gallery of ADU plans,	Annually and by end of 2025	South Santa Clara and Citywide	HIGH

Issues	Contributing Factors	Actions / Objectives (Specific Commitments)	Timeline / Metrics	Geographic Targeting	Priority (Low, Medium, High)
		examples/stories of real ADUs that have been built, and an ADU cost calculator. Action 5: Monitor preservation and conservation opportunities in and adjacent to South Santa Clara's high and highest TCAC opportunity areas.			
When housing is in short supply, tenants often do not report code violations for fear of retaliation and no cause eviction.	Private discrimination Code enforcement violations can arise when housing stock is not appropriately conserved and rehabilitated in a timely manner.	Action 7: Code Enforcement Program Establish multi-family residential housing inspection and educational programs that are self-funded and proactively respond to housing code violations. The City will also provide special attention to maintaining the stability of residential neighborhoods through development of minimum standards of allowed use of the City's streets, as well as maintenance of front and other yard areas visible from the public right-of-way.	By second half of 2024	Citywide	MEDIUM
Not all tenants and landlords are aware of their rights and responsibilities under state and local law which can result in the displacement of low-income tenants.	Fair housing issues exist everywhere but disproportionately impact low income households who may not have the resources to dispute unfair housing conditions or housing discrimination.	Action 16: Fair Housing Program Continue to provide fair housing services to residents including referrals, mediation, investigation of claims of discrimination, outreach and translated education materials, open house events to distribute information, and potentially setting a rent deposit limit Work with Project Sentinel to host two open house events per year and to distribute translated collateral in lower income census tracts explaining key landlord and tenant rights under current law	Ongoing and annually.	Citywide with proactive focus in census tracts with concentrations of persons with disabilities, disproportionate housing needs, and overcrowding.	HIGH
Transit station access is less robust in North and Central Santa Clara.	Industrial and commercial land uses in Central and North Santa Clara	Action 16: Fair Housing Program Market the Silicon Valley Hopper ride share service Citywide in Central and North Santa Clara once it becomes available in 2027 or later. This service will help connect lower income residents to major employment	2027	Citywide and Central and North Santa Clara	LOW



Issues	Contributing Factors	Actions / Objectives (Specific Commitments)	Timeline / Metrics	Geographic Targeting	Priority (Low, Medium, High)
		centers, VTA Light Rail, Caltrain and the future BART station.			
Place based investment is needed in lower income neighborhoods to increase access to opportunity.	Low income neighborhoods may require additional infrastructure to improve quality of life, access to transit, employment, health food, parks, and other resources.	<p>Action 16: Fair Housing Program</p> <p>By June 2027, complete bike and pedestrian improvements at various locations along Cabrillo Ave, Lafayette St, Monroe St, Royal Dr, Scott Blvd, and Warburton Ave in Central Santa Clara to improve safety and mobility. This area overlaps with an MTC Equity Priority Community and is considered a Low Opportunity Area by TCAC.</p> <p>By fall 2028, develop a CDBG Notice of Funding Availability that awards additional points to capital projects that improve quality of life and access to opportunities in HUD designated low-income and distressed areas of the City.</p>	<p>June 2027 for bike pedestrian improvements.</p> <p>Fall 2028 for 2029 NOFA</p>	MTC Equity Priority Communities, and HUD designated low-income and distressed areas of the City.	MEDIUM
Disproportionate Housing Needs					
Residents in Central Santa Clara and areas adjacent to central Santa Clara have lower income, lower access to opportunity, less access to parks, higher pollution, lower educational outcomes. Central Santa Clara has a mix of residents, but Hispanic/Latino residents are disproportionately concentrated in this area.	<p>Older residential development is surrounded by industrial uses</p> <p>Lack of place-based outreach about affordable housing opportunities elsewhere in the City</p> <p>Possible need for better language access</p>	<p>Actions 2 and 16;</p> <p>Increase mobility by conducting proactive in person outreach in relevant languages once per year about the City's affordable housing opportunities and resources such as landlord and tenant rights under state law and mediation services.</p>	Annually	Central Santa Clara and adjacent areas	HIGH
There are not enough licensed residential care facilities and shared housing sites to meet future demand for residents with developmental disabilities and seniors.	<p>Family members cannot care for adult children with developmental disabilities once caregivers are elderly.</p> <p>Funding is needed to acquire and maintain single family homes as licensed care facilities.</p>	<p>Action 1: Provision of Variety of Housing Types</p> <p>Increase the stock of extremely low and very low-income rental housing designed for persons with developmental disabilities by 35% from 56 in 2023 to 76 in 2030.</p> <p>Action 18: Shared Housing</p> <p>Evaluate the need for shared housing as part of the HUD Consolidated Plan Process.</p>	<p>2025</p> <p>Ongoing</p> <p>Prior to 2026</p>	Citywide	MEDIUM

Issues	Contributing Factors	Actions / Objectives (Specific Commitments)	Timeline / Metrics	Geographic Targeting	Priority (Low, Medium, High)
	Multifamily development is not always designed to accommodate the needs of developmentally disabled tenants.	Continue to support the creation of new shared housing for lower income residents with developmental disabilities by including those project types in future Notices of Funding Availability.			
Displacement Risk					
Some landlords set very high deposits making it difficult for lower income tenants to secure housing or to relocate.	<p>Landlords seek to manage financial risk.</p> <p>Low income tenants are rent burdened in this high cost market making it hard to save and give up a large amount of money for a deposit.</p> <p>Deposits are sometimes not returned to tenants even if the unit is left in good condition.</p>	<p>Action 13: Residential Displacement</p> <p>By the end of 2025 analyze the feasibility of setting a rent deposit limit and present findings from that analysis to the Housing Commission and City Council.</p>	December 2025	Citywide	MEDIUM
Naturally occurring affordable housing stock is at risk of acquisition by for profit investors. Such acquisitions often result in direct displacement once rents are increased.	<p>As Santa Clara builds out and land values increase, there will be increasing pressure to reposition or redevelop older residential buildings.</p> <p>Rehabilitation can sometimes be more profitable than new construction.</p> <p>Nonprofit developers don't always have a fair chance to make offers to purchase such properties.</p>	<p>Action 6: Acquisition of Multi-Family Housing</p> <p>Create a database of naturally occurring affordable housing and annually monitor property sales and/or permit applications to identify conversion trends early.</p> <p>Present the findings on resources required to implement a Community Opportunity Purchase Act (COPA).</p> <p>Explore funding sources available at the regional, state, and federal levels to support affordable housing developers with acquisition/rehabilitation opportunities.</p> <p>Work with nonprofit entities to acquire properties and rehabilitate existing multi-family structures to be maintained as or converted into affordable rental housing. Prioritize assistance for housing that is within one half mile of rail transit stations or that is in a high or highest opportunity area according to TCAC.</p>	Early 2027 and annually	South Santa Clara and Citywide	MEDIUM



Issues	Contributing Factors	Actions / Objectives (Specific Commitments)	Timeline / Metrics	Geographic Targeting	Priority (Low, Medium, High)
Direct and indirect displacement can increase overcrowding, displacement, longer commutes and homelessness.	<p>Lower income households can experience displacement when new developments are built that are not affordable to existing residents and when regional housing prices rise faster than incomes.</p> <p>High security deposits can create barriers for lower income tenants moving between apartments.</p> <p>Landlords and Tenants may not be aware of their rights under state law.</p>	<p>Action 13: Residential Displacement</p> <p>Evaluate and provide recommendations to the City council on new programs and policies that prevent displacement such as no net loss, one year notification, and relocation benefits.</p> <p>Continue funding for dispute resolution services, the regional Homelessness Prevention System, and marketing below market rate rental and ownership opportunities.</p>	2025-2027	Citywide	HIGH
Cost Burden					
Affordable housing is not affordable enough. The City needs more extremely low and very low-income units to house low wage workers, seniors, persons with disabilities and a variety of unit sizes to accommodate singles, couples, single parent households, and large families.	<p>Market rate housing is out of reach for lower income residents.</p> <p>Seniors and households on fixed incomes cannot afford rent increases that are based on escalating HCD Income Limits.</p> <p>The City has limited funds for deep subsidies.</p> <p>Apartments for large families are less common than studios, one bedroom and two-bedroom apartments.</p>	<p>Action 1: Provision of Variety of Housing Types</p> <p>Increase the stock of income restricted three and four bedroom affordable rental housing units to serve large households in Santa Clara by 20% from 107 units in 2023 to 129 units in 2030.</p> <p>Increase the stock of extremely low and very low income rental housing designed for persons with developmental disabilities by 35% from 56 in 2023 to 76 in 2030.</p> <p>Action 2: Affordable Housing Ordinance</p> <p>Reassess the potential of updating the Citywide affordable ordinance to support deeper affordability requirements (5% very low income, 5% low income, and 5% moderate income) for rental and ownership projects. The City will also look into updating the definition of "moderate income" units from 120% AMI to 100% AMI or a percentage of market rents.</p> <p>Action 15: Homeownership for First-Time Homebuyers</p> <p>Determine the feasibility of keeping new Below Market Purchase homes deed restricted for 20-30 years vs. 5 years.</p>	By the end of 2024 and annually	Citywide with a proactive focus on landlords with multifamily sites located in high and highest opportunity census tracts.	HIGH

Issues	Contributing Factors	Actions / Objectives (Specific Commitments)	Timeline / Metrics	Geographic Targeting	Priority (Low, Medium, High)
		Action 14: Housing Choice Voucher Program Advocate for additional project and person-based vouchers for seniors and other special needs groups through partnerships with affordable housing developers and local and County housing authorities. Promote incentives that encourage landlords to accept Housing Choice Vouchers (HCV) and continue to refer households in need to the Housing Authority’s Housing Choice Voucher Application Portal.			
It is costly to build and operate affordable housing in Santa Clara County which limits the supply.	Affordable housing requires many sources of subsidies and coordination and partnership with local governments. High land costs make development more challenging.	Action 3: Affordable Housing Incentives and Facilitation Create an SB 35 Streamlining checklist, procedures Proactively encourage and facilitate development efforts and identify funding sources for developers and organizations in constructing affordable housing for lower income households particularly special needs groups. Conduct public outreach and issue a request for proposals to develop mixed income or 100% affordable housing on the vacant former site of the King’s Highway Motel on El Camino Real.	June 2022 March 2024, , and Annually December 2024	Citywide and proactive outreach in the neighborhood surrounding the King’s Highway Motel on El Camino Real.	HIGH
It is costly to build and operate affordable housing in Santa Clara County which limits the supply.	Much more funding is needed to realize the City’s RHNA goals for lower income units.	Action 12: Affordable Housing Funding Explore additional funding sources for the development of affordable housing and annually evaluate Notices of Funding Availability (NOFA) from state, federal, and regional programs.	End of 2025, and Annually	Citywide	MEDIUM



Issues	Contributing Factors	Actions / Objectives (Specific Commitments)	Timeline / Metrics	Geographic Targeting	Priority (Low, Medium, High)
It is difficult for low- and moderate-income households to buy a home or condo in Santa Clara	<p>Homeownership is cost prohibitive in much of the Bay Area including Santa Clara. Low- and moderate-income households are often shut out of the home ownership market.</p> <p>Below Market Purchase homes can be resold to market rate buyers after 5 years.</p>	<p>Action 15: Homeownership for First-Time Buyers</p> <p>Explore and present changes to the BMP program to keep homes affordable for longer than 5 years by requiring resale to income eligible homeowners. Promote homeownership for first time buyers through units that are income restricted, encourage program participation for households at all levels of income, and continue to promote homebuyers assistance programs through local and regional organizations.</p>	By the end of 2024	Citywide	MEDIUM
Substandard Conditions					
As housing stock ages, it requires maintenance, repairs, and upgrades to remain safe, healthy, cost efficient to operate, and to conserve water and energy.	Lower income households and affordable housing operators may not have the necessary funds to rehabilitate or upgrade housing to meet current needs.	<p>Action 4: Maintenance of Housing Stock</p> <p>Conduct outreach to single-family home residential care facilities to determine interest in and feasibility of including these properties in future CDBG/HOME Notices of Funding Availability to address rehabilitation and emergency repairs.</p> <p>Assist approximately 200 low, very low, and extremely low-income homeowners with rehabilitation and emergency repair assistance through loans and grants. Promote NOFA process for installation of HVAC improvements for sensitive populations especially seniors.</p>	2024	Citywide	MEDIUM
Income restricted housing can be at-risk of converting to market rate when subsidies or affordability requirements expire leaving less affordable housing options available.	Rising inflation, labor and material costs are making income restricted housing more costly to maintain and operate.	<p>Action 5: Preservation of Assisted and N.O.A.H. Rental Housing</p> <p>Extend the affordability of at risk low income housing units when funding is available by assisting with capital improvements to the property, establishing and maintaining contact with public and nonprofit agencies who may acquire at-risk units, and working with owners of at-risk housing to restructure loans to extend affordability restrictions.</p>	Annually	Citywide	MEDIUM

Issues	Contributing Factors	Actions / Objectives (Specific Commitments)	Timeline / Metrics	Geographic Targeting	Priority (Low, Medium, High)
When housing is in short supply, tenants are less likely to report code violations for fear of retaliation and eviction.	<p>Some property owners choose to defer maintenance costs to increase financial gain.</p> <p>Code enforcement violations can arise when housing stock is not appropriately conserved and rehabilitated in a timely manner.</p>	<p>Action 7: Code Enforcement Program</p> <p>Establish multi-family residential housing inspection and educational programs that are self-funded and proactively respond to housing code violations. The City will also provide special attention to maintaining the stability of residential neighborhoods through development of minimum standards of allowed use of the City’s streets, as well as maintenance of front and other yard areas visible from the public right-of-way.</p>	By second half of 2024	Citywide with a proactive focus in census tracts with concentrations of persons with disabilities, disproportionate housing needs, and overcrowding.	MEDIUM
Targeted Fair Housing Outreach					
A forum is needed to gather community input on challenges and solutions relating to fair housing, CDBD/HOME investments, homelessness, and neighborhood issues.	<p>Homelessness is caused by a complex set of factors and affects a wide variety of community members and requires coordination among a wide range of service providers.</p> <p>University students can have specific housing needs or living arrangements which are not always in line with existing neighborhood development.</p>	<p>Action 8: Neighborhood Relations Programs</p> <p>Form a Housing Commission to advise on CDBG and HOME grant administration for capital projects and community services, and on the City’s homelessness response efforts.</p> <p>Improve the maintenance of student-occupied homes to minimize impacts on neighborhoods surrounding Santa Clara University. As well as hold meetings with student tenants, landlords the University, and the City to address neighborhood issues and concerns. And ensure that student housing development is compatible with existing neighborhoods.</p>	Early 2023	Citywide and in neighborhoods surrounding Santa Clara University.	MEDIUM
Homelessness in Santa Clara has increased in recent years creating hardship for unhoused residents and quality of life impacts for the broader community.	<p>Insufficient affordable rental housing</p> <p>Insufficient interim and supportive housing</p> <p>Insufficient access to health care, behavioral health care, substance abuse programs, and other safety net social services.</p>	<p>Action 1: Provision of a Variety of Housing Types</p> <p>Increase access to interim housing units, rapid rehousing, and emergency shelter beds by 30% from 453 in 2023 to 589 in 2030.</p> <p>Action 17: Homeless Services</p> <p>Adopt and begin implementation of the City's Homelessness Response Plan. Continue to provide street outreach especially to at-risk youth, seniors, and persons with disabilities to connect residents with VISPDAT</p>	Late 2023	Citywide with proactive outreach at tent and RV/vehicle encampments	HIGH



Issues	Contributing Factors	Actions / Objectives (Specific Commitments)	Timeline / Metrics	Geographic Targeting	Priority (Low, Medium, High)
		assessment, emergency shelter, case management, and basic needs services			
Landlords and tenants are not always aware of recent state law changes related to source of income discrimination, no cause eviction, noticing and more.	Landlord tenant laws have changed in recent years. Landlords and tenants are not always educated about changes or know when they apply.	Action 16: Fair Housing Program Bring forward a proposal for City Council consideration to write an ordinance that requires landlords to provide a City approved multilingual brochure to all tenants with every lease signing that summarizes landlord and tenant rights under state law. If the ordinance is approved, conduct a series of educational workshops with local landlords and tenants.	December 2025	Citywide	MEDIUM
It is difficult for special needs residents to find and apply for affordable housing.	A regional “universal housing application” system is still under development. Housing applications are increasingly online, but a digital divide persists. Language access barriers, Nonprofit staff and social workers may require additional training to help clients navigate the complex web of housing providers.	Action 2 and 16: Plan in-person events to educate and assist seniors and special needs groups (including persons with limited English proficiency) on using the City’s housing application system and/or BAHFA’s regional housing portal once it is available in Santa Clara County Work with Project Sentinel to improve the City’s webpage to include more landlord/tenant rights, reasonable accommodation rights, resources and contact information in a format that is easily translatable using a web browser. Explore the creation of an ordinance that requires landlords to provide a City approved multilingual brochure to all tenants with every lease signing that summarizes landlord and tenant rights under state law. Plan outreach to help Evaluate the need for shared housing services, explore ways to increase access to senior housing, improve staff capacity to help seniors and special needs groups navigate the housing market and find subsidized housing, evaluate the need for shared housing services, and continue to support the creation of	Two times per year	Citywide	MEDIUM

Issues	Contributing Factors	Actions / Objectives (Specific Commitments)	Timeline / Metrics	Geographic Targeting	Priority (Low, Medium, High)
		new shared housing for lower income persons with developmental disabilities.			



SANTA CLARA
HOUSING ELEMENT

This page was left intentionally blank.

Introduction and Overview of AB 686.....	1
Local Knowledge:.....	2
Assessment of Fair Housing.....	3
Fair Housing and Housing Resources	3
Assessment of Fair Housing Issues	8
AFFH Analysis of the Sites Inventory.....	73
Contributing Factors.....	80

List of Tables

Table 13.3-1: Fair Housing Providers in Santa Clara County and Santa Clara	5
Table 13.3-2: Number of DFEH Housing Complaints in Santa Clara County (2020).....	6
Table 13.3-3: Number of FHEO Filed Cases by Protected Class in Santa Clara County (2015–2020)	7
Table 13.3-4: Racial/Ethnic Dissimilarity Trends (1990–2020)	10
Table 13.3-5: Racial Composition Santa Clara County and Santa Clara (2019).....	11
Table 13.3-6: Racial/Ethnic Dissimilarity Trends within Santa Clara	12
Table 13.3-7: Racial Isolation Index Values for Segregation within Santa Clara.....	14
Table 13.3-8: Divergence Index Scores within Santa Clara County	15
Table 13.3-9: Populations of Persons with Disabilities– Santa Clara County & Santa Clara	19
Table 13.3-10: Population with Developmental Disabilities by Age	22
Table 13.3-11: Adults with Developmental Disabilities by Residence	23
Table 13.3-12: Households with Children in Santa Clara County and Incorporated Cities.....	24
Table 13.3-13: Santa Clara County & Santa Clara Households by Income Category and Tenure	29
Table 13.3-14: White Population and Median Household Income of RCAAs in Santa Clara County	39
Table 13.3-15: Domains and List of Indicators for Opportunity Maps.....	42
Table 13.3-16: Opportunity Indices by Race/ Ethnicity – Santa Clara County	47
Table 13.3-17: Demographics of Households with Housing Problems in Santa Clara County	64
Table 13.3-18: Household Type & Size in Santa Clara County.....	64
Table 13.3-19: Households that Experience Cost Burden by Tenure in Santa Clara County and Santa Clara	65



SANTA CLARA HOUSING ELEMENT

Table 13.3-20: Overcrowded Households – Santa Clara County and Santa Clara	68
Table 13.3-21: Substandard Housing Conditions – Santa Clara County and Santa Clara.....	70
Table 13.3-22: Sites Inventory Units by HCD/TCAC Opportunity Map Area	75
Table 13.3-23: AFFH Meaningful Actions Matrix.....	80

List of Figures

Figure 13.3-1: Regional Racial Demographics (2021).....	11
Figure 13.3-2: Racial Demographics of Santa Clara (2021).....	13
Figure 13.3-3: Predominant population of Santa Clara (2017-2021)	14
Figure 13.3-4: HOLC Redlining Map (1937).....	18
Figure 13.3-5: Regional Populations of Persons with Disabilities by Tract (2019).....	21
Figure 13.3-6: Percent of Population with a Disability – Santa Clara (2021)	22
Figure 13.3-7: Regional Percentage of Children in Married-Couple Households by Tracts (2019)	25
Figure 13.3-8: Percent of Children in Married-Couple Households – Santa Clara (2021)	26
Figure 13.3-9: Regional Percent of Children in Female-Headed Households by Tract (2019).....	27
Figure 13.3-10: Percent of Children in Female Headed Households – Santa Clara (2021)	28
Figure 13.3-11: Regional Concentrations of LMI Households by Tract (2015).....	30
Figure 13.3-12: Population with Low to Moderate Income Levels – Santa Clara (2021)	31
Figure 13.3-13: Regional Housing HCV Concentration by Tract (2021).....	33
Figure 13.3-14: Housing Choice Vouchers – Santa Clara (2021).....	34
Figure 13.3-15: Regional Median Gross Rent/ Affordability Index by Tract (2021).....	35
Figure 13.3-16: Location Affordability Index – Santa Clara (2021)	36
Figure 13.3-17: Regional Racially and Ethnically Concentrated Areas of Poverty “R/ECAPs” (2021).....	37
Figure 13.3-18: Racially or Ethnically Concentrated Areas of Poverty “R/ECAPs” – Santa Clara (2021).....	38
Figure 13.3-19: Regional Median Income by Block Group (2021)	39
Figure 13.3-20: Median Income – Santa Clara (2021)	40
Figure 13.3-21: Regional TCAC Composite Scores by Tract (2021)	43

Figure 13.3-22: TCAC Opportunity Areas – Composite Score – Santa Clara (2021)	44
Figure 13.3-23: Sites inventory, Existing Affordable Housing, and TCAC Opportunity Areas – Composite Score – Santa Clara (2023)	45
Figure 13.3-24: Regional TCAC Education Scores (2021)	49
Figure 13.3-25: TCAC Opportunity Areas – Education Score – Santa Clara (2021)	50
Figure 13.3-26: Public School Rankings (2021).....	50
Figure 13.3-27: Regional Public Transit Access (2021).....	52
Figure 13.3-28: VTA Transit Map (2023).....	53
Figure 13.3-29: Valley Hopper Service Area (2023).....	54
Figure 13.3-30: Regional Jobs Proximity Index (2021)	55
Figure 13.3-31: Regional TCAC Opportunity Areas – Economic Score (2021).....	56
Figure 13.3-32: Jobs Proximity Index – Santa Clara (2021).....	57
Figure 13.3-33: TCAC Opportunity Area – Economic Score – Santa Clara (2021).....	57
Figure 13.3-34: Regional TCAC Opportunity Areas – Environmental Score (2021).....	59
Figure 13.3-35: Regional CalEnviroScreen 4.0 (2021)	60
Figure 13.3-36: CalEnviroScreen 4.0 – Santa Clara (2021)	61
Figure 13.3-37: Regional Healthy Places Index (2021)	62
Figure 13.3-38: Healthy Places Index – Santa Clara (2021).....	63
Figure 13.3-39: Regional Overpayment by Renters (2021)	65
Figure 13.3-40: Overpayment by Renters – Santa Clara (2021).....	66
Figure 13.3-41: Regional Overcrowded Households by Tract (2015)	67
Figure 13.3-42: Concentration of Overcrowded Households – Santa Clara (2021)	69
Figure 13.3-43: Regional Sensitive Communities at Risk of Displacement by Tract (2021).....	71
Figure 13.3-44: Sensitive Communities (UCB, Urban Displacement Project) – Santa Clara (2021)	72
Figure 13.3-45: Northern and Central Santa Clara Sites inventory and Land Use	76
Figure 13.3-46: Northern and Central Santa Clara Sites inventory and TCAC Opportunity Areas	77
Figure 13.3-47: Southern Santa Clara Site Inventory and Land Use.....	78
Figure 13.3-48: Southern Santa Clara Sites inventory and TCAC Opportunity Areas	79



**SANTA CLARA
HOUSING ELEMENT**

Chapter 13.4

Housing Needs Assessment

Population and Employment Trends

Housing needs are influenced by population and employment trends. This section provides a summary of changes to the population size, age, and racial/ethnic composition of the City of Santa Clara. Moreover, to gain a deeper understanding of the housing needs in the City, an evaluation of the intersection of these demographic characteristics with housing statistics such as housing type and tenure, condition, cost, and vacancy provides the necessary bases for a proper housing needs assessment.

Current Population and Population Growth

Santa Clara, incorporated in 1852, is known as “The Mission City”, reflecting its place as an early California settlement dating to 1777. Santa Clara has a rich agricultural past that extends from that early settlement period almost two centuries forward. However, the post-World War II housing boom and just as significantly, the emergence of the electronics industry in the early 1950s, rapidly transformed the community. Between 1950 to 1990, the population of Santa Clara ballooned from 11,702 to 93,000. Today, Santa Clara lies in the heart of the Silicon Valley and continues to grow as the technology industry continues to expand.

From 2010 to 2020, Santa Clara’s population grew by approximately nine percent, from 116,468 to 127,000 residents. During the same period, Santa Clara County as a whole grew by 10 percent. The Association of Bay Area Governments (ABAG) growth forecasts predict a steady increase in population through 2040. From 2020 to 2040, ABAG estimates that the City’s population will grow by 25.6 percent, staying relatively on track with the countywide projected growth of 31.09 percent (Table 13.4-1).

Table 13.4-1: Population Growth and Projected Growth

	2010	2020	2040	% Change	% Change
				2010-2020	2020-2040
Santa Clara	116,468	127,647	159,500	9.6%	25 %
Santa Clara County	1,781,642	1,936,259	2,538,320	8.67%	31.09%

Source(s): ACS QuickFacts



SANTA CLARA
HOUSING ELEMENT

In addition to population projections, several other demographic characteristics and trends define housing needs. Among these characteristics are age composition, racial and ethnic composition, and employment (Table 13.4-2).

Table 13.4-2: Age, Race and Ethnicity, and Employment by Industry

<i>Demographic Profile</i>	<i>2010</i>	<i>Percentage</i>	<i>2019</i>	<i>Percentage</i>
Age				
0-4	9,092	7.8%	8,730	7%
5-14	12,410	11%	13,267	10%
15-24	15,783	13.5%	17,822	14%
25-34	23,016	20%	26,932	21%
35-44	18,860	16%	19,874	16%
45-54	14,987	13%	15,025	12%
55-64	10,641	9%	11,557	9%
65-74	5,951	5%	8,056	6%
75-84	3,950	3%	4,316	3%
85+	1,778	2%	2,142	2%
Median Age	34.6		33.9	
Total Population	116,468		127,721	
Race/Ethnicity				
White (non-Hispanic)	42,026	36%	40,282	32%
Hispanic	22,589	19%	22,116	17%
Black	2,929	3%	3,697	3%
Asian/Pacific Islander	44,135	38%	55,905	44%
Other	4,549	4%	5,538	7%
Total Population	116,228		127,538	
Employment by Industry				
Educational services, and health care and social assistance	9,529	17%	13,420	19%
Retail trade	4,984	9%	5,004	7%
Manufacturing	11,778	21%	12,918	19%
Professional, scientific, and management, and administrative and waste management services	12,595	22%	19,573	28%
Construction	2,295	4%	1,997	3%
Arts, entertainment, and recreation, and accommodation and food services	3,963	7%	5,427	8%
Finance and insurance, and real estate and rental and leasing	2,473	4%	2,356	3%

Table 13.4-2: Age, Race and Ethnicity, and Employment by Industry

<i>Demographic Profile</i>	<i>2010</i>	<i>Percentage</i>	<i>2019</i>	<i>Percentage</i>
Other services, except public administration	2,070	4%	2,036	3%
Transportation and warehousing, and utilities	1,582	3%	2,170	3%
Public Administration	1,706	3%	1,494	2%
Wholesale Trade	1,164	2%	1,505	2%
Information	2,879	5%	4,148	6%
Agriculture, forestry, fishing and hunting, and mining	157	0.3%	122	0.2%
Total Employment	57,175		72,170	

Source(s): US Census Bureau 2010, American Community Survey 2014-2019 5-year estimate

Age

Population age distribution serves as an important indicator of housing needs because housing needs and preferences change as individuals or households grow older. Young families tend to focus more on cost and the ability to become first-time homebuyers. Table 13.4-2 shows the age groups of Santa Clara residents. The largest age group in 2010 was residents aged 25 to 34 at 20 percent. In 2010, the second largest age group was residents aged 35 to 44, at 16 percent. This trend stayed consistent in 2019, with the largest percentage of residents falling in the 25 to 34 age group, at 21 percent. The second largest age group in 2019 was residents aged 35 to 44, at 16 percent.

The median age in Santa Clara is 33.9 years. Compared with the County (37.4 years) and the state (36.5 years), the City's population is younger. The large population of young adults means that demand for larger homes for families will likely continue to grow as residents move out of smaller homes and apartments and raise families.

Race and Ethnicity

Table 13.4-2 shows the racial/ethnic distribution of population in Santa Clara. Asian (43.2 percent) and White (non-Hispanic) (31.5 percent) residents make up most of the population. This breakdown is reflective of Santa Clara County, which is mostly Asian (36.5 percent) and White (31.5 percent) residents. The racial makeup of Santa Clara has stayed mostly consistent since 2010. The two largest racial groups in 2010 were Asian (38 percent) and White (36 percent). From 2010 to 2019, the White and Hispanic populations decreased while the Asian population increased, and the other racial groups stayed consistent. For example, the City of Santa Clara's Black or African American residents makes up 3 percent of the population, just over Santa Clara County's Black or African American population of 2.5 percent.



Employment

Santa Clara has 13,420 workers living within its borders who work across 13 major industrial sectors. Table 13.4-2 provides detailed employment information. Many Santa Clara residents work in professional, scientific, and management, and administrative and waste management services (19,573, 28 percent of total), reflects the predominant technology industry of Silicon Valley. The second largest industries are educational services, and health care and social assistance (19 percent) and manufacturing (19 percent). Between 2010 to 2019 the number of residents employed in educational services, health care, and social assistance and professional, scientific, and management, and administrative and waste management services increased, while the number of residents employed in manufacturing decreased.

These trends are important to understand, as certain industries are generally associated with lower median earnings. In the City, the median income for professional, scientific, and management, and administrative and waste management services is \$100,235. The median income for manufacturing is \$103,951, while the median income for educational services, health care, and social assistance is considerably lower at \$45,931. The 10 principal employers in Santa Clara are presented in Table 13.4-3.

Table 13.4-3: 10 Principal Employers, 2020

Employer	Number of Employees	Percentage
Applied Materials, Inc.	8,500	22.8%
Intel Corporation	7,801	20.9%
Advanced Micro Devices Inc.	3,000	8.0%
California's Great America	2,500	6.7%
Avaya Inc.	2,000	5.4%
Santa Clara University	2,000	5.4%
City of Santa Clara	1,973	5.3%
Kaiser Foundation Hospitals	1,459	3.9%
Macy's	1,200	3.2%
Catalyst Semiconductor Inc.	1,100	2.9%

Source(s): City of Santa Clara Comprehensive Annual Financial Report, June 30, 2020

Household Characteristics

The characteristics of a community's households impact the type and tenure of housing needed in that community. Household type, income levels, the presence of special needs populations, and other household traits are all factors that affect the housing needs of a community and the strategies that the community must deploy to meet those needs.

Characteristics for Santa Clara households are summarized in Table 13.4-4. The number of households in Santa Clara have increased by 2,346 from 42,323 in 2010 to 44,669 in 2019. Renter-

occupied households increased by 2,566 from 22,960 households in 2010 to 25,525 in 2019. Owner-occupied households decreased by 220 from 19,363 households in 2010 to 19,143 in 2019.

Table 13.4-4: Household Characteristics by Tenure

<i>Household Characteristic</i>	<i>Owner Households</i>	<i>Renter Households</i>	<i>All Households</i>
Number of Households ¹	19,143 (42.8%)	25,526 (57%)	44,669
Median Household Income ¹	\$155,718	\$108,435	\$126,006
Household Income Categories²			
Extremely Low Income (0-30% AMI)	1,339 (7%)	4,123 (16.7%)	5,462 (12.5%)
Very Low Income (30-50% AMI)	1,853 (9.8%)	3,215 (13.3%)	5,068 (11.6%)
Low Income (50-80% AMI)	1,884 (10%)	2,540 (10.3%)	4,424 (10%)
Moderate Income (80-100% AMI)	1,480 (7.8%)	2,185 (9%)	3,665 (8.4%)
Above Moderate Income (100% + AMI)	12,265 (65%)	12,544 (50.9%)	24,809 (57%)
Total	18,821	24,607	43,428
Overpayment			
All Households Overpaying for Housing	1,900 (10%)	5,365 (21%)	7,265 (16.4%)
Lower Income Households Overpaying for Housing (*0-80%) ²	1,670 (36%)	5,265 (55%)	6,935 (49%)

Source(s):

1 US Census Bureau, American Community Survey 2014-2019 5-year estimates

2 U.S. Department of Housing and Urban Development Comprehensive Housing Affordability Strategy (CHAS) Tables 2013-2017

Income

According to the 2019 American Community Survey (ACS), the median household income for the City of Santa Clara was \$126,006, which is slightly higher than the Santa Clara County median household income of \$124,055. Median household income differs by tenure; in the City, owner households have a significantly higher median income than renter households (a difference of \$47,283).

Census data estimates that 6.7 percent of the Santa Clara population lives in poverty, as defined by federal guidelines. This proportion is lower than in Santa Clara County, where 7.5 percent of residents live in poverty. Poverty thresholds vary by household type. In Santa Clara, the percentage of persons living in poverty is higher for Black residents, with 9.3 percent living in poverty, and much higher for female householders with no spouse present, at 16.7 percent.



SANTA CLARA HOUSING ELEMENT

Because poverty thresholds do not differ based on geographic differences, a better measure to understand income disparities can be to identify various percentages compared to the median income for a particular area. For housing planning and funding purposes, the Department of Housing and Urban Development (HUD) uses five income categories to evaluate housing need based on the Area Median Income (AMI) for the county:

- Extremely Low-Income Households earn 0-30 percent of AMI
- Very Low-Income Households earn 30-50 percent of AMI
- Low-Income Households earn 50-80 percent of AMI
- Moderate-Income Households earn 80-100 percent of AMI (HCD uses 120%)
- Above Moderate-Income Households earn over 100 percent of AMI (HCD uses 120%+)

Comprehensive Housing Affordability Strategy (CHAS) data provides special Census tabulations (developed for HUD) and calculates household income adjusted for family size and tenure. As shown in Table 13.4-4, in Santa Clara above moderate-income households make up the largest share of all households (57 percent), and extremely low-income households represent the second largest category (12.5 percent). Income also differs by tenure; as indicated in Table 13.4-4, more renter households are in the lower-income categories (0-80 percent AMI) than owner households.

Housing Overpayment

State and federal standards specify that households spending more than 30 percent of gross annual income on housing experience a housing cost burden. Housing cost burdens occur when housing costs increase faster than household income. When a household spends more than 30 percent of its income on housing costs, it has less disposable income for other necessities such as health care, child-care, and food. In the event of unexpected circumstances such as loss of employment or health problems, lower-income households with a housing cost burden are more likely to become homeless or double up with other households. In Santa Clara, 16.4 percent of households are overpaying for housing, with owner households and renter households overpaying 10 percent and 21 percent, respectively. Lower-income households have a much higher rate of overpayment at 49 percent whether it is an owner household or a renter household.

Extremely Low Income (ELI) Households

HCD defines ELI households as “a subset of very low income households. . . defined as 30 percent (or less) of the area median income”. As stated above, ELI households make up 12.5 percent of all households in Santa Clara with more renter households than owner households (16% and 7% respectively). Lower income households experience overpayment at a much higher rate compared to all households. While 16 percent of all households in Santa Clara experience overpayment, lower income households experience overpayment by almost 50 percent. Lower income owner households are overpaying by 36 percent while lower income renter households

are overpayment by 55 percent. Stakeholder outreach for the Housing Element and the City's Homelessness Taskforce in 2022 indicated that ELI housing is sorely needed by a wide variety of groups including persons with disabilities, elderly adults, and persons who are at risk of becoming homeless. Many stakeholders shared that "low-income housing" isn't affordable anymore as income limits continue to increase with area median income. More ELI and VLI units are needed to assist residents whose income is not keeping pace with HCD income limits and inflation.

The City of Santa Clara adopted the Affordable Housing Ordinance in 2018 which required rental projects of 10 or more units to provide at least 15 percent of the units at affordable rental prices to extremely low, very low, and low income households. These units must also remain a part of the affordable rental program for fifty-five years. The distribution of affordable units must average to a maximum of one hundred percent (100%) area median income so the number of ELI units that are produced through inclusionary housing is limited.

In 2019 the City selected HouseKeys, Inc. as the City's affordable housing administrator, to create a "one stop shop" for new affordable rental and ownership opportunities in Santa Clara and to help with compliance monitoring. The City also updates an Affordable Housing Resource Guide twice per year which provides resources for emergency housing support, organizations that provide rental assistance, homeowner programs, and a list of affordable housing properties throughout the City. A list of existing properties with ELI units is included below in Table 5. The 233 existing ELI income restricted units is far lower than the 5,462 ELI households in Santa Clara.

The City has also worked to develop actions that specifically address extremely low and very low-income households which may experience greater cost burden. Action 2 in the housing plan will look at updating the Citywide affordable ordinance to support deeper affordability requirements. Action 3 facilitates the development efforts for constructing affordable housing for lower income households particularly special needs groups. Action 6 explores funding sources to support affordable housing developers with acquiring and rehabilitating multi-family structures. Action 12 explores additional resources for providing funding for affordable housing. And Action 14 advocates for additional project and person-based vouchers for seniors and other special needs groups.

Table 13.4-5: Existing Properties with Extremely Low-Income Housing Units

<i>Property Name</i>	<i>Number of ELI Units</i>	<i>Address</i>
Monroe Apartments	16	2330 Monroe Street
Calabazas Apartments	80	2904 Corvin Street
Mainline North Apartments	16	2310 Called Del Mundo
Agrihood	54	90 North Winchester Blvd.
Kifer Senior	39	3335 Kifer Road
Peacock Commons	10	3661 Peacock Ct.
Belovida Senior Apartments	9	1820 Main Street



SANTA CLARA
HOUSING ELEMENT

Cypress	5	455 N. Cypress Avenue
Presidio El Camino	4	1450 El Camino Real
TOTAL	233	

Source: City of Santa Clara

Supportive and transitional housing types which often serve extremely low income households are both permitted within R1-8L single family zones, R1-6L single family zones, duplex zones, low density multiple-dwelling zones, moderate density multiple-dwelling zones, and medium density multiple-dwelling zones.

Housing Stock Characteristics

Housing Stock

In 2022, the State Department of Finance estimated that in 2020 there were 47,004 occupied housing units in the City. Compared to 2010, the City's housing stock has increased by 3,983 units. Most of the City's housing stock is made up of multi-family units (55 percent) followed by single family units (40 percent). Census data indicates that 0.2 percent of owner units and four percent (see Table 13.4-6) of rental units are vacant, suggesting that the City should continue to increase housing construction to accommodate residents.

Construction of both single family homes (attached and detached) and multi-family homes has grown in Santa Clara since 2010. However, while single family homes have only grown by 125 units between 2010 and 2019, multi-family homes have grown by 2,641 units, likely due to the technology industry boom and the influx of younger adults moving to the area for jobs.

Table 13.4-6: Housing Stock Characteristics by Tenure – 2020

<i>Housing Characteristic</i>	<i>Owner Households</i>	<i>Renter Households</i>	<i>All Households</i>
Total Housing Units	19,271 (41%)	26,792 (57%)	47,004
Single Family Detached	No data	No data	19,543 (42%)
Single Family Attached			4,595 (9.8%)
Multi-Family Units			26,045 (55%)
Mobile home, other units			46 (.09%)
Average or median Household Size			2.65
Vacancy Rate	0.2%	4.0%	6.4%
Overcrowded Units	0.9%	5.2%	6.2%
Units Needing Replacement/Rehabilitation	N/A	N/A	None
Housing Cost – Average purchase price and monthly rent	\$1,034,000	\$2,396	N/A

Note: Total housing units does not sum to 100% due to vacant units

*Source(s): US Census Bureau, American Community Survey 2015-2019 5-year estimates,
California Department of Finance E-5 Population and Housing Estimates, 2021*

Overcrowding

In response to a mismatch between household income and housing costs in a community, some households may not be able to buy or rent housing that provides a reasonable level of privacy and space. According to both California and federal standards, a housing unit is considered overcrowded if it is occupied by more than one person per room (excluding kitchens, bathrooms, and halls). In Santa Clara, 6.2 percent of housing units are overcrowded, compared to 5.2 percent in the County. Overcrowding is much more prevalent in renter households (5.2 percent) than owner households (0.9 percent).

Housing Condition

The condition of housing stock can be an indicator of potential rehabilitation needs. Based upon observations and experiences of the Housing & Community Services Division, the City estimates that on average fewer than 10 housing units per year are in severe need of substantial rehabilitation due to housing conditions.

Housing Cost

The cost of housing in a community is directly correlated to the number of housing problems and affordability issues. High housing costs can price low-income families out of the market, cause extreme cost burdens, or force households into overcrowded or substandard conditions. The Santa Clara median home price according to 2019 ACS data is \$1,034,000. The median home price in Santa Clara County according to ACS data is \$984,000, \$50,00 lower than in the City.

According to the 2019 ACS, 57 percent of Santa Clara households are living in rental housing. Census data shows that the average rent in Santa Clara is \$2,396 per month, with most (25.7 percent) paying between \$2,000 and \$2,499 in rent. Table 13.4-6 shows that the HUD-determined fair market rents for the City of Santa Clara fall within the range of the rents within the County. Therefore, the rental rates in Santa Clara generally are less than the HUD-determined fair market rents, indicating that certain parts of Santa Clara County are potentially more expensive than local rents.



Table 13.4-7: Fair Market Rents in Santa Clara County

<i>Year</i>	<i>Efficiency</i>	<i>One-Bedroom</i>	<i>Two-Bedroom</i>	<i>Three-Bedroom</i>	<i>Four-Bedroom</i>
FY 2020 FMR	\$2,103	\$2,458	\$2,970	\$3,943	\$4,525

Source(s): FY2020 Fair Market Rents. U.S. Department of Housing and Urban Development (HUD)

According to Costar, the vacancy rate in Santa Clara in Q3 2022 was lower at 3.5% while the larger San Jose metro area's vacancy was 4.9%. In Q3 2022, vacancy for 3-bedroom units was much lower at 2.9% while vacancy for smaller unit types was closer to the overall average at 3.5%. Average effective rent per unit in Santa Clara trend higher at \$3,094 compared with \$2,880 for the larger San Jose metro area.

Table 13.4-8: Market Rents Per Unit by Bedroom – Q3 2022

<i>Year</i>	<i>Efficiency</i>	<i>One-Bedroom</i>	<i>Two-Bedroom</i>	<i>Three-Bedroom</i>
Q3, 2022	\$2,498	\$2,898	\$3,525	\$3,910

Source: Costar, November 11, 2023

Special Housing Needs

Housing-element law requires local governments to include an analysis of housing needs for residents in specific special needs groups and to address resources available to address these needs. The following analysis confirms public comments received indicating a particular need for more extremely low and very low income rental housing options for persons with disabilities, large families, seniors, and people experiencing homelessness. Based on the scale of this identified need, additional resources, beyond those currently available, will be required to realize meaningful increases in housing for people with special needs. The City's Housing Plan (Chapter 2), includes actions and objectives that will help address the gaps in resources to meet these needs.

Table 13.4-9: Special Needs Groups

<i>Special Needs Category</i>	<i>Count</i>	<i>Percent</i>
Persons with Disabilities ¹	8,966	7% of residents
Persons with Developmental Disabilities ²	3,246	2.7% of residents
Elderly (65+ years) ¹	14,514	11.3% of residents
	3,249 households	7.2% of households
Large Households (5+ members) ¹	4,253 households	9.5% of households
Farmworkers ¹	122	0.2% of labor force
Migrant Worker Student Population	0	0% of labor force

Table 13.4-9: Special Needs Groups

<i>Special Needs Category</i>	<i>Count</i>	<i>Percent</i>
Female Headed Households ¹	3,571 households	7.9% households
Male Headed Households	1,924 households	4.3% households
Married Couple Households	24,719 households	55% households
Householder Living Alone	1,624 households	22% households
People Experiencing Homelessness ³	326	N/A

Source(s):

1. US Census Bureau, American Community Survey 2015-2019 5-year estimates. There is no Census occupation or industry that discretely identifies an estimate for the number of farmworkers in the City of Santa Clara. This figure comes from the civilian employed population (16 years and over) in the industry that includes: agriculture, forestry, fishing and hunting, and mining.

2. California Department of Developmental Services, 2020, reflects the DDS consumer count by CA ZIP Codes 95050, 95051, 95052, 95053, 95054, 95055, 95056

3. Santa Clara County: Annual Point in Time Count Report

Persons with Disabilities including persons with Developmental Disabilities

Disabled residents face housing access and safety challenges. Disabled people, in many cases, are of limited incomes and often receive Social Security income only. As such, most of their monthly income is often devoted to housing costs. In addition, disabled persons may face difficulty finding accessible housing (housing that is made accessible to people with disabilities through the positioning of appliances and fixtures, the heights of installations and cabinets, layout of unit to facilitate wheelchair movement, etc.) because of the limited number of such units.

The following is a summary of the number of people in Santa Clara with different types of disabilities according to the 2019 ACS:

Ambulatory Difficulty	4,234
Independent Living Difficulty	3,372
Cognitive Difficulty	3,246
Self-care difficulty	1,885
Vision Difficulty	1,557

According to the 2019 ACS there are 8,966 residents with one or more of the above listed types of disabilities in Santa Clara, representing seven percent of residents. Most residents with a disability are 75 and older (47.1 percent), followed by those 65 to 74 years old (18 percent). The most commonly occurring disability amongst seniors 65 and older was an independent living difficulty, experienced by 14.5 percent of Santa Clara's seniors. The most common disabilities for people 35-64 years old was ambulatory difficulty followed by cognitive difficulty.



SANTA CLARA HOUSING ELEMENT

For those with a developmental disability, the majority reside in the home of a parent, guardian, or family member (78 percent). The second most common living situation for individuals with a developmental disability is a community care facility (9.6 percent).

Housing Choices is a local nonprofit focused on enhancing the lives of people with developmental and other disabilities and their families by creating and supporting quality, affordable housing opportunities. Housing Choices provided the following comments relating to the needs of developmentally disabled residents in Santa Clara County:

- Between September 2015 and June 2021, the Department of Developmental Services reported that the number of Santa Clara County residents with developmental disabilities age 62 and older grew by 35 percent. This increase is generally attributable to gains in life span which likely means that more adults with developmental disabilities will outlive their parents and family members who are by far the single largest source of housing for people with developmental disabilities in the City of Santa Clara.
- Because older adults currently occupying a licensed facility in Santa Clara County are living longer, this reduced rate of occupant turnover, coupled with closing facilities, will make it more difficult for middle-aged and senior adults who have been living with aging parents in the City of Santa Clara to transition to licensed care when their parents pass away. Notwithstanding 20 percent growth in Santa Clara County's total population of adults with developmental disabilities, the Department of Developmental Services has documented a 15 percent decline in the age group 42 to 51 in Santa Clara County between September 2015 and June 2021. In light of gains in life expectancy, this loss can reasonably be attributed to displacement from the county because of the lack of residential living options (either licensed facilities or affordable housing) when an elderly family caregiver passes away or becomes unable to house and care for the adult. Displacement takes a particular toll on adults with developmental disabilities who depend on familiarity with transit routes and shopping and services, as well as support from community-based services and informal networks built up over years of living in Santa Clara.

Santa Clara has responded to the need for community care facilities and there are several group homes and independent living options for Santa Clara residents with disabilities, shown in table 10 below. Action 18 in the housing plan will explore ways to increase special needs housing and support the creation of new shared housing options for residents with disabilities. Table 13.3-10 indicates there are only 56 units of income restricted housing set aside for persons with developmental disabilities in the Santa Clara area. This represents approximately 1.7% of the 3,246 people who have cognitive disabilities in Santa Clara. To meet rising demand, a 35% increase would require the construction of 76 new housing units for this special needs group. Given the scale of this need, multifamily housing options would be needed.

Table 13.4-10: Housing Properties for Persons with Disabilities

<i>Property Name</i>	<i>Number of Units</i>	<i>Address</i>
Group Homes		
Briarwood Cooperative	Shared single-family home with private bedrooms for 4 individuals with developmental disabilities	2114 Briarwood Drive Santa Clara, CA 95051
De La Cruz Cooperative	Shared single-family home with private bedrooms for 4, individuals with developmental disabilities	3779 De La Cruz Boulevard Santa Clara, CA 95054
Various Locations Life Services Alternative	3 five-person group homes for persons with physical or developmental disabilities	260 W. Hamilton Avenue Campbell, CA 95008
Independent Living		
Stoney Pine Villa	12 one-bedroom units, 8 two-bedroom units, 3 three-bedroom units	267 W California Street Sunnyvale, CA 94086
Monroe Commons (Under Construction)	10 of the 40 apartments will be set aside for persons with developmental disabilities.	2330 Monroe Street Santa Clara, CA 95050

Source: City of Santa Clara:

Elderly (65+ years)

Many senior-headed households have special needs due to their relatively low incomes, disabilities or limitations, and dependency needs. Specifically, many people aged 65 years and older live alone and may have difficulty maintaining their homes, are usually retired, and living on a limited income, and are more likely to have high health care costs and rely on public transportation, especially those with disabilities. The limited income of many elderly persons often makes it difficult for them to find affordable housing. There are 3,249 households headed by elderly residents, representing 7.2 percent of total households in Santa Clara. Of all the age groups in Santa Clara, elderly residents experience poverty at a lower rate (7.8 percent) than those aged 18 to 34 (8.8 percent) which is counter to trends in other cities where elderly residents are more likely to be low income. Seniors may experience specific housing needs and require special assistance in their living situations. The City of Santa Clara has several housing properties dedicated to seniors, including options for seniors who are more active and those who require assisted living. These properties are detailed in Table 13.4-11 below. Table 13.4-11 indicates that there are only 736 housing units for lower income seniors in Santa Clara. This represents approximately 13% of the 5,645 extremely low and very low-income seniors in Santa Clara as summarized in Table 13.4-13. The scale of need for senior housing indicates that more multifamily affordable rental housing with varying levels of support services will be needed. A twenty percent increase would translate into 148 new affordable units for seniors. To create



deeply affordable service enriched senior housing, additional sources of federal funding and vouchers will be needed.

Table 13.4-11: Housing Properties for Seniors

Property Name	Number of Units	Address
---------------	-----------------	---------

Active Seniors

Belvidera	27 one-bedroom units for seniors age 62 and older	1820 Main Street Santa Clara, CA 95050
-----------	---	--

Bracher Apartment	72 one-bedroom units for seniors age 62 and older	2665 South Drive Santa Clara, CA 95051
-------------------	---	--

Camino del Rey	48 one-bedroom units for seniors age 55 and older	2525 El Camino Real Santa Clara, CA 95051
----------------	---	---

Gateway Santa Clara	40 one-bedroom units, 2 two-bedroom units for seniors age 55 and older	1000 El Camino Real Santa Clara, CA 95050
---------------------	--	---

John Burns Gardens	95 one-bedroom units, 5 two-bedroom units for seniors age 62 and older	820 Agnew Road Santa Clara, CA 95054
--------------------	--	--------------------------------------

Liberty Tower	60 studios, 41 one-bedroom units for seniors age 62 and older	890 Main Street Santa Clara, CA 95050
---------------	---	---------------------------------------

Valley Village	80 studios, 80, one-bedroom units, 140 two-bedroom units for seniors age 62 and older	390 N Winchester Boulevard Santa Clara, CA 95050
----------------	---	--

Agrihood (Under Construction)	109 apartments (studios, one-bedroom units, 2-bedroom units)	90 N. Winchester Blvd. Santa Clara, CA 95050
----------------------------------	--	--

Kifer Senior Apartments (Under Construction)	30 studios, 45 one bedrooms, and 5 two bedrooms for formerly chronically homeless seniors and very low income seniors	3335 Kifer Road Santa Clara, CA 95051
---	---	---------------------------------------

Assisted Living

Pacific Gardens	21 beds for seniors age 55 and older	2384 Pacific Drive Santa Clara, CA 95051
-----------------	--------------------------------------	--

Source: City of Santa Clara.

Tables 13.4-12 and 13.4-13 demonstrate that lower income (0-50% AMI) senior households are cost-burdened (30-50% of income used for housing) or severely cost-burdened (50%+ income used for housing) at a much higher rate compared to all other senior households. 86 percent of ELI (0-30% AMI) and 50.6% of VLI (31-50% AMI) senior households are cost-burdened or severely cost-burdened.

Table 13.4-12: Senior Households by Income and Tenure

Income Group	Owner Occupied	Renter Occupied
0 – 30% AMI	755	1,435

Table 13.4-12: Senior Households by Income and Tenure

<i>Income Group</i>	<i>Owner Occupied</i>	<i>Renter Occupied</i>
31 – 50% AMI	1,115	525
51 – 80% AMI	880	284
81 – 100% AMI	465	165
Greater than 100% AMI	1,680	380
Totals	4,895	2,789

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

Notes: For this table, senior households are those with a householder who is aged 62 or older

Table 13.4-13: Cost-Burdened Senior Households by Income Level

<i>Income Group</i>	<i>0 – 30% Income Used for Housing</i>	<i>30 – 50% Income Used for Housing</i>	<i>50%+ Income Used for Housing</i>
0 – 30% AMI	305	415	1,470
31 – 50% AMI	810	370	460
51 – 80% AMI	915	185	64
81 – 100% AMI	515	90	25
Greater than 100% AMI	1,895	145	20
Totals	4,440	1,205	2,039

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

Notes: For this table, senior households are those with a householder who is aged 62 or older. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is “select monthly owner costs”, which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income.



Large Households (5+ members)

Large households, defined by HCD as households containing five or more persons, have special housing needs due to the limited availability of adequately sized, affordable housing units. Larger units can be very expensive; as such, large households are often forced to reside in smaller, less expensive units or double-up with other families or extended families to save on housing costs, both of which may result in unit overcrowding. There are 4,253 large households in Santa Clara representing 9.5 percent of all households. A larger percentage of renter households (5 percent) are defined as large households as compared to owner households (4.5 percent).

In Santa Clara, 3.2 percent of families are living in poverty. For large households with five or six family members 2.7 percent live in poverty, this rate goes up drastically for families with seven or more people (7.1 percent). Table 12 below shows household size by tenure in Santa Clara. Two-person households make up the largest number of households with 32.5% being owner households and 34% being renter households.

The City's affordable rental housing portfolio contains 99 three-bedroom units and 8 four-bedroom units for larger households with five or more persons in Santa Clara. This represents approximately 4.7% of the 2,257 large families who rent in Santa Clara as summarized in Table 13.4-14. Data is not available on how many of these large households are lower income, but community outreach has indicated there is a need for larger affordable housing units in Santa Clara as most developments tend to build studios, one- and two-bedroom units. A twenty percent increase would translate into 21 new three- or four-bedroom units.

Table 13.4-14: Household Size by Tenure

<i>Household Size</i>	<i>Owners</i>		<i>Renters</i>		<i>Total</i>	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
1-Person Household	3,822	20%	6,122	24%	9,944	22%
2-Person Household	6,222	32.5%	8,642	34%	14,864	33%
3-Person Household	3,946	20.6%	4,703	18.4%	8,649	19%
4-Person Household	3,157	16.4%	3,802	14.8%	6,959	15.5%
5+ Person Household	1,996	10.4%	2,257	9%	4,253	9.5%
Total	19,143	100%	25,526	100%	44,669	100%

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25009

Farmworkers

Farmworkers are considered a special housing needs group due to their limited income and the often-unstable nature of their employment. While many traditional affordable housing programs and policies will assist farmworkers, the unique needs and circumstances for agricultural workers need to be considered and explored in the City's Housing Element.

Although maps from the State of California Department of Conservation Farmland Mapping and Monitoring Program show no farmland in Santa Clara, agriculture continues to play a role in the regional economy, including in parts of Santa Clara County.

There is no Census occupation or industry category that discretely identifies an estimated number of farmworkers in the City of Santa Clara. However, the Census does estimate that there are 122 residents working in the industry category that includes agriculture, forestry, fishing and hunting, and mining. Assuming all those residents are farmworkers, that represents approximately 0.2 percent of the City's working population.

Since 2002, there has been a decline in the total number of farmworkers in Santa Clara County and there has also been a shift to a more permanent workforce for many farms in Santa Clara County, which has shifted the bulk of need from seasonal housing for migrant workers to permanently affordable housing for lower income working families.

Table 13.4-15: Farm Operations and Farm Labor in Santa Clara County

<i>Hired Farmworker</i>	<i>2002</i>	<i>2007</i>	<i>2012</i>	<i>2017</i>
Permanent	1,696	2,842	2,243	2,418
Seasonal	3,760	2,747	1,994	1,757
Total	5,456	5,589	4,237	4,175

Source: U.S. Department of Agriculture, Census of Farmworkers (2002, 2007, 2012, 2017), Table 7: Hired Farm Labor

Note: farmworkers are considered seasonal if they work on a farm less than 150 days in a year, while farm workers who work on a farm more than 150 days in a year are considered to be permanent workers for that farm.

Farmworkers in the Bay Area are generally categorized as either:

1. **Permanent Residents.** The majority of farmworkers in Santa Clara County are permanent residents. Depending on their work and family circumstances, they may require housing which can accommodate families.
2. **Migrant Farmworkers.** Migrant farmworkers perform agricultural labor on a seasonal basis and tend to need housing in the form of single occupancy rooms, bunkhouses, or dormitory style living.
3. **H-2A Visa Workers.** These are farmworkers who enter under a federal guest worker program for limited number of months (no more than 10) before they return to their



SANTA CLARA HOUSING ELEMENT

country of origin. H-2A visa workers require a sponsoring employer, who provides housing, meals, and transportation to the job site. H-2A visa workers can share homes, apartments, or be housed in bunkhouses, dormitories, or single occupancy rooms. Since very few bunkhouses exist, the employers of H-2A workers compete with permanent farmworkers for scarce affordable homes and apartments.

In Santa Clara, for the 2019-20 school year, there were 46 reported students of migrant workers. Since the 2016-17 school year, the trend for Santa Clara, the County, and the Bay Area shows a decline in the number of students of migrant workers.

Table 13.4-16: Migrant Worker Student Population

<i>Geography</i>	<i>2016-17</i>	<i>2017-18</i>	<i>2018-19</i>	<i>2019-20</i>
Santa Clara	109	90	91	46
Santa Clara County	978	732	645	492
Bay Area	4,630	4,607	4,075	3,976

Source: California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-17, 2017-18, 2018-19, 2019-20)

Note: Data used for this table was obtained at the school site level, matched to a file containing school locations, geocoded and assigned to jurisdiction, and finally summarized by geography.

Due to the low number of agricultural workers in the City, the housing needs of migrant workers and/or farmworkers can be met through the City's general affordable housing programs. The City conducted specific focus group outreach to farmworker advocate groups in the City who identified that there may be a need for multi-generational housing options.

Female-Headed Households

Single-parent households require special consideration and assistance because of the greater need for day care, health care, and other services. In particular, female-headed households with children tend to have lower incomes and a greater need for affordable housing and accessible daycare and other supportive services. The relatively low incomes earned by female-headed households, combined with the increased need for supportive services, severely limit the housing options available to them. There are 3,571 female-headed households in Santa Clara, representing 7.9 percent of households. A total of 16.7 percent of female-headed households live in poverty, a much higher percentage than all households living in poverty at 6.7 percent. The largest household type in Santa Clara is married couple household (55 percent), followed by householders living alone (22 percent), and male-headed households (4.3 percent).

People Experiencing Homelessness

Population estimates for people experiencing homelessness is very difficult to quantify. Census information is often unreliable due to the difficulty of completely counting a population without

permanent residences. Given this impediment, local estimates of the homeless and anecdotal information are often the sources of population numbers. In 2022, the regional point in time count identified a total of 440 people who were unsheltered or living in emergency shelters in the City of Santa Clara. Data from Santa Clara County Office of Supportive Housing identified 769 clients in 2021. These individuals are affiliated with the City of Santa Clara, had an emergency shelter, transitional housing, or outreach enrollment during, or took a Vulnerability Index Service Prioritization Decision Assistance Tool in 2021. Of these identified clients, 58 percent were male, 42 percent were female. The most individuals indicated they were between 55 to 64 years old followed by those 25 to 44 years old. Over half of individuals (52%) identified as non-Hispanic White and 46 percent identified as Hispanic/Latinx. Of these 769 homeless clients, 43 indicated they were veterans, 453 reported to have a disabling condition, 384 had a chronically homeless status, 264 had a self-reported domestic violence background, and 82 clients self-reported currently fleeing domestic violence. In 2019 there were 326 people counted. During this same time period, Santa Clara County's point in time count increased by 3 percent. Comparing point in time count between 2019 and 2022, the number of unsheltered individuals in the City of Santa Clara rose from 264 to 375 and the number of sheltered individuals rose from 62 to 65. This suggests that the City of Santa Clara's overall increase in homelessness was due primarily to the growth in unsheltered homeless. Housing types for sheltered homeless individuals from 2021 can be found in table 13 below.

Table 13.4-17: Housing Inventory Count for Sheltered Individuals

<i>Project Type</i>	<i>2021 Housing Inventory Count</i>
Emergency Shelter	10
Transitional Housing	65
Rapid Rehousing	151
Permanent Supportive Housing	101
Other Permanent Housing	126
Grand Total	453

Source: 2021 Housing Inventory Count (HIC) Data for City of Santa Clara

The location of homeless encampments and RV parking shifts regularly. There are concentrations of overnight RV parking in the northern part of the City near Bassett Street, Hope Drive, Memorex Drive, and Richard Avenue. There are smaller concentrations in other parts of the City near De La Cruz Boulevard and Martin Avenue, Saratoga Avenue and Los Padres Boulevard, and certain portions of Stevens Creek Boulevard.

For encampments, there are concentrations on Saratoga Creek from Forbes Avenue, north along the creek to El Camino Real. Several segments of El Camino Real include unhoused residents camping near vacant buildings. On the north side of the City, the Guadalupe River trail from Highway 237 down to Trimble Road has a concentration of homeless encampments. Lastly, Calabazas Creek from Tasman Drive to Highway 101 has historically had several encampments.



SANTA CLARA HOUSING ELEMENT

Generally, encampments are located in areas adjacent to waterways or near unoccupied/vacant buildings. Action 17 in the housing plan chapter ensures that the City adopts and implements the Homelessness Response Plan by early 2023.

Table 13.4-18 lists nine sites in the City where persons in need of emergency shelter can seek shelter and other assistance.

Table 13.4-18: Emergency Housing Providers in the City of Santa Clara

<i>Provider</i>	<i>Target Population</i>	<i>Capacity/ Housing Type</i>
Bill Wilson Center, Bill Wilson House	Homeless teenagers	Six-person group home
Bill Wilson Center, Homeless Teen Parent Project	Homeless teen mothers and dependent children	Six-person group home and four transitional apartments
Bill Wilson Center, Runaway Youth Shelter	Runaway, homeless and other troubled youth	Short-term transitional
Bill Wilson Center, Transitional Housing for Foster Home Teenage Girls	Teenage girls	Six-person group home
Bill Wilson Center, Transitional Housing for Homeless Teens	Homeless teenagers	Six-person group home
HomeFirst, Sobrato Family Living Center	Homeless families	33-unit transitional
HomeFirst, Sobrato Family Living Center II	Homeless families	10-unit transitional and eight-unit permanent
Charities Housing Homesafe Santa Clara	Survivors of domestic violence	24-unit transitional
Silicon Valley Independence Living Center	Persons with disabilities	Four-bedroom transitional

Emergency Shelters are currently a permitted use in the ML Light Industrial district, allowed without discretionary review, provided that the existing number of shelter beds is less than required in the most recent annual count of homeless persons residing within the city. If there are more beds that required by the most recent annual count of homeless persons, then Emergency Shelters are a conditional use.

The total acreage in the ML – Light Industrial district is 1,413 acres, with parcel sizes averaging 2.24 acres in size. Vacancy rates for R&D buildings in Santa Clara currently stand at 10%, and a number of industrial buildings are available for re-use as emergency shelters.

Frequent transportation options (15 minute headways) within the industrial areas of Santa Clara include the Route 57 bus that runs up Bowers Avenue, which connects to the goods and services of El Camino Real, and the VTA light rail, with connections to amenities and services in North Sunnyvale, downtown Mountain View and downtown San Jose.

Portions of the area zoned ML Light Industrial are located within the Airport Influence Area of the San Jose International Airport and are subject to noise from aircraft overflights.

Existing constraints to the permitting of emergency shelters are proposed to be removed as part of the Zoning Ordinance update with emergency shelters permitted by-right subject to the following objective development standards:

1. A minimum distance of three hundred (300) feet shall be maintained from any other emergency shelter.
2. The maximum stay at the facility shall not exceed one hundred eighty (180) total days in a three hundred sixty-five (365)-day period.
3. On-site client waiting and intake areas shall be located inside the building and shall be screened from public and private property where feasible. If not feasible, an exterior waiting area shall be provided which:
 - (A) Contains a minimum of ten square feet per bed provided at the facility; and
 - (B) Shall be in a location not adjacent to the public right-of-way; and
 - (C) Shall be visibly separated from public view by a minimum six-foot tall visual screening.
4. Hours of intake shall be between the hours of 5:00 P.M. to 9:00 P.M. Overnight occupants shall not be permitted to leave the facility on foot before 7:00 A.M. the following morning.
6. A minimum of one employee per fifteen (15) beds, in addition to security personnel, shall be on duty and remain on site during operational hours whenever occupants are on the site.
7. Security personnel shall be provided during operational hours whenever clients are on the site or when people are waiting outside the facility.
8. Exterior lighting shall be provided for the entire outdoor area of the site. Exterior lighting shall be stationary, directed away from adjacent properties and public rights-of-way, and be of an intensity compatible with the neighborhood.
9. Off-street parking shall be provided at the rate of one parking space per emergency shelter employee or as set forth in Chapter [18.74](#) SCCC, whichever is least restrictive.
10. The shelter may provide the following services and facilities to occupants in a designated area separate from the sleeping areas:
 - (A) A recreation area either inside or outside the shelter. If located outside, the area shall be screened from public view.



**SANTA CLARA
HOUSING ELEMENT**

- (B) A counseling center for job placement, educational, health care, legal, or mental health services.
 - (C) Laundry facilities to serve the number of occupants at the shelter.
 - (D) One or more kitchens for the preparation of meals.
 - (E) Dining hall.
 - (F) Client storage areas (i.e., for the overnight storage of bicycles and personal items).
 - (G) Similar services supporting the needs of homeless occupants.
11. The operator of the facility shall provide, at the City's request, an annual report of the use of the facility that demonstrates that the facility is in compliance with the requirements of this chapter and the development standards for the use.
 12. Deliveries of goods to the shelter shall only be made within hours that are allowed by this Code.
 13. The facility shall not generate lighting at levels adversely affecting surrounding properties.
 14. Professional and on-site management, with experience managing emergency shelters, shall be provided at all times.
 15. The facility shall develop and implement an emergency preparedness plan, including a shelter-in-place plan.

These objective standards are consistent with the allowable objective development standards as indicated in HCDs Zoning for a Variety of Housing Types guidance document.

The key constraint is the current permitting process, which limits the number of beds that can be permitted by right in the City of Santa Clara based on the prior year's count of people experiencing homelessness. That constraint is proposed to be removed as a part of the Zoning Ordinance Update, and the availability of potential locations for emergency shelters will be expanded with Emergency Shelters allowed by right in the As a part of the Zoning Code Update (Action 9), the City is proposing to allow Emergency Shelters by right in the R-3 and R-4 Residential districts, the C-C and C-R Commercial districts, and the MU-VHD Mixed Use district. This would expand the total acreage available for emergency shelters to 1,599 acres and would potentially allow emergency shelters along commercial corridors such as Stevens Creek Boulevard, proximate to amenities and transit.

Additionally, Emergency Shelters would be allowed in the LI – Light Industrial and PQP – Public/Quasi-Public districts, subject to the approval of a Minor Use Permit heard by the Director of Community Development.

In addition to the various local resources for people experiencing homelessness and on the verge of experiencing homelessness there is a County wide Emergency Assistance Network available to anyone living in Santa Clara County. Organizations through this network offer one-time rent and mortgage payment assistance, -move -in costs for rental deposits, -information and referrals, food distributions, case management, job training, employment assistance, low-income utility programs, after school care, Veterans assistance, temporary shelter, and housing search assistance.

Table 13.4-19: Emergency Assistance Network

Organization	Location
Community Services Agency of Mountain View & Los Altos	204 Sterlin Rd. Mountain View, CA 94043
LifeMoves Georgia Travis House	260 Commercial Street San Jose, CA 95112
LifeMoves Opportunity Center	33 Encina Avenue Palo Alto, CA 94301
Sunnyvale Community Services	725 Kifer Rd. Sunnyvale, CA 94086
Sacred Heart Community Service	1381 S. First St. San Jose, CA 95110
Salvation Army	359 North 4th Street San Jose, CA 95109
Salvation Army	3090 Homestead Road Santa Clara, CA 95051
St. Joseph's Family Center	7950 Church St., Suite A Gilroy, CA 95020
West Valley Community Services	10104 Vista Drive Cupertino, CA 95014
Source: City of Santa Clara	

Energy Conservation Opportunities

The Housing Element should analyze opportunities for energy conservation in residential development. Energy-related housing costs can directly impact the affordability of housing. While State building code standards contain mandatory energy efficiency requirements for new development, the City and utility providers are also important resources to encourage and facilitate energy conservation and to help residents minimize energy-related expenses. Policies addressing climate change and energy conservation are integrated into the Santa Clara General Plan.

Santa Clara has two solar systems at City facilities, which have capacity to produce up to 500 kilowatts (kW) of energy combined. Pursuant to the City's Climate Action Plan (CAP), five more solar photovoltaic (PV) projects will be installed with a total capacity of three to five megawatts (MW). To encourage residential PV units, Silicon Valley Power (SVP) offers a Neighborhood Solar Program which matches resident and business contributions to the fund for nonprofit solar facilities in the City. SVP also provides rebates for local businesses and residents for solar electric system installation and expedited solar system permitting. SVP offers free home energy audits to



SANTA CLARA HOUSING ELEMENT

residents to help identify energy efficiency improvements, and rebates, including energy efficient appliances, insulation, lighting, cooling, and process changes. The City is also working with the regional energy supplier PG&E to encourage residents and businesses to retrofit their natural gas systems.

At-Risk Housing Analyses

State housing law requires an inventory and analysis of government-assisted dwelling units eligible for conversion from lower income housing to market rate housing during the next 10 years. Reasons for this conversion may include expiration of subsidies, mortgage pre-payments or pay-offs, and concurrent expiration of affordability restrictions. Currently, four affordable housing properties in Santa Clara are at risk of converting to market rate housing in the next 10 years as shown in table 15 below.

Table 13.4-20: At-Risk Housing

<i>Project Name</i>	<i>Address</i>	<i>Total Units</i>	<i>Affordable Units</i>	<i>Funding Source</i>	<i>Date of Affordability End</i>
Benton House*	1885 Benton St	5	5	HCD	06/03/28
Clara Vista House*	723 Clara Vista St	6	6	HCD	06/03/28
Sobrato Family Living Center I**	1509 Agnew Rd	33	32	Local	05/21/29
Casa Del Maestro Apts (Phase I) 2001	3445 Lochinvar Ave	40	2	Local	10/02/31
Total		84	45		

Source(s): At Risk-Housing Report for City of Santa Clara, CHPC 2022

* zoned as single family residences

**Currently being refinanced with a possible extension of the affordability period

Transferring ownership of the affordable units to a nonprofit housing organization is a viable way to preserve affordable housing for the long term and increase the number of government resources available to the project. The City will seek to establish deeper relationships with non-profit affordable housing developers and supportive services providers (qualified entities) to identify and preserve at risk properties for preservation. Several qualified entities, including the Sobrato Family Foundation, BRIDGE Housing, and MidPen Housing have shared their interest with the City in acquisition and/or preservation of properties for affordable housing.

In Santa Clara, the estimated market value for the affordable units in the two multi-family at-risk projects is evaluated in Table 13.4-21 below. The current total market value for the 34 at-risk units in Casa del Maestro Apartments (2)and Sobrato Family Living Center (32) is estimated to be \$11,313,922. The estimated replacement cost for the same units is approximately \$13,005,000, with

additional rent subsidies of \$147,242 per year of deed restricted affordability, or \$8,098,306 for the typical 55-year affordability requirement.

In order to assess the level of risk of a project converting to market rate, the expiration date of affordability covenants and the ownership structure of the project is considered. Nonprofit ownership generally indicates a lower likelihood of conversion than for-profit ownership.

Because Casa del Maestro Apartments and Sobrato Family Living Center are both owned/operated by nonprofit organizations and the expiration date of affordability covenants for both projects are at or toward the end of the 6th Housing Element Cycle, they are considered to be at low risk for conversion to market rate.

The two at-risk units at Casa del Maestro are part of a larger development that includes 20 other affordable units that will remain restricted until June 25, 2057.

The risk of the Sobrato Family Living Center's 32 affordable units converting to market rate is further reduced because there are provisions in their affordability agreement that would continue to require income limitations and rent restrictions beyond the end of their current 30-year affordability term unless the owner was able to demonstrate that the project was no longer economically feasible (revenue equal to or exceeds operating expenses) or if they provided an equal number of equivalent units off-site without public financial assistance. In addition to receiving local funding (HomeFirst), this project has received federal funding that also requires the project to remain affordable.

Additionally, Sobrato Family Living Center is currently seeking to rehabilitate its units. Any local contribution to their proposed rehabilitation work would include a requirement for modification of their agreement to extend the affordability period of their project. Other properties with affordable units seeking similar assistance would be required to do the same. HCD administers programs to finance the acquisition of at-risk projects, and there are low-income housing tax credits, and bond financing. Locally, there are HUD CDBG rehabilitation funds.

Two small at-risk properties owned by Momentum for Mental Health are operated as supportive housing for people dealing with mental health concerns, and as a smaller operation valuation comparable would be similar to a single-family residence, and the replacement cost would mirror the cost of single-family construction. However, the replacement strategy for the smaller projects would most likely be a purchase and rehabilitation project. For a five to six room unit the costs would be approximately \$1,200,000 to \$1,700,000 for purchase and rehabilitation or construction. Momentum for Mental Health is a non-profit organization and will likely not be selling the properties in the coming years and will seek to refinance and rehabilitate the projects and seek subsidies to extend the affordability of the projects.

Table 13.4-21: Market Value of At-Risk Projects

<i>Size of Unit</i>	<i>Total Units</i>
---------------------	--------------------



SANTA CLARA
HOUSING ELEMENT

1-Bedroom	8
2-Bedroom	18
3-Bedroom	8
Total	34
Gross Annual Income	\$1,194,971
Operating Costs	\$252,144
Net Annual Income	\$942,827
Market Value	\$11,313,922

Source(s): zumper.com, compiled by MIG

1. Median Rent: 1-bed = \$2,402, 2-bed = \$2,995, 3-bed = \$3,962
2. Average Unit Size: 1-bed = 700 sq.ft., 2-bed = 900 sq.ft., 3-bed = 1,100 sq.ft.
3. Annual operating costs assume 5% vacancy rate and cost per square foot is 20% based on age of the building yielding expenses per square foot = \$8.24
4. Market value = Annual net project income*multiplication factor
5. Multiplication factor based on building age and rent tier = 12

Table 13.4-22: Replacement Costs of At-Risk Projects

Size of Unit	Total Units	Total Cost (\$425 per sq.ft)
1-Bedroom (700 sq. ft.)	8	\$2,380,000
2-Bedroom (900 sq. ft.)	18	\$6,885,000
3-Bedroom (1,100 sq. ft.)	8	\$3,740,000
Total	34	\$13,500,000

Source(s): RSMeans Data, 2022, 3-Story, Stick and Stucco; regional adjustment

1. Per unit cost: 1-BR, \$340,000; 2-BR, \$510,000; 3-BR, \$595,000
2. Additional subsidies would be required of approximately \$200 per bedroom (2020 Income Limits – Fair Market Rent)

Coastal Zone

The City of Santa Clara is not in a coastal zone and therefore is not subject to the requirements of Government Code 65588 (c) and (d).

Projected Housing Need (RHNA)

Housing Element law requires a quantification of each jurisdiction's share of the regional housing need as established in the RHNA-Plan prepared by the jurisdiction's council of governments. The California Department of Housing and Community Development (HCD), in conjunction with the ABAG, determine a projected housing need for the region covered by ABAG. This share, known as the Regional Housing Needs Allocation (RHNA), is 441,176 new housing units for the 2023-2031 planning period throughout the ABAG region. ABAG has, in turn, allocated this share among its constituent jurisdictions, distributing to each its own RHNA divided along income levels. The City of Santa Clara has a RHNA of 11,632 housing units to accommodate in the housing element period. The income distribution is as shown in Table 13.4-18.

Table 13.4-23: Regional Housing Needs Allocation 2023-2031

<i>Income Group</i>	<i>% of County AMI</i>	<i>Number of Units Allocated</i>	<i>Percent of Total Allocation</i>
Very Low ¹	<50%	2,872	25%
Low	50-80%	1,653	14%
Moderate	80-120%	1,981	17%
Above Moderate	>120%	5,126	44%
Total	---	11,632	100%

Note: Pursuant to AB 2634, local jurisdictions are also required to project the housing needs of extremely low-income households (0-30% AMI). In estimating the number of extremely low-income households, a jurisdiction can use 50% of the very low-income allocation or apportion the very low-income figure based on Census data. There are 5,462 extremely low- and 5,018 very low-income households. Therefore, the City's very low-income RHNA of 2,872 units can be split into 1,436 extremely low-income and 1,436 very low-income units.

Source(s): Association of Bay Area Governments



**SANTA CLARA
HOUSING ELEMENT**

This page was left intentionally blank.

Population and Employment Trends.....	1
Household Characteristics.....	4
Housing Stock Characteristics.....	8
Special Housing Needs	10
Energy Conservation Opportunities	23
At-Risk Housing Analyses.....	24
Projected Housing Need (RHNA)	27

List of Tables

Table 13.4-1: Population Growth and Projected Growth	1
Table 13.4-2: Age, Race and Ethnicity, and Employment by Industry	2
Table 13.4-3: 10 Principal Employers, 2020	4
Table 13.4-4: Household Characteristics by Tenure	5
Table 13.4-5: Existing Properties with Extremely Low-Income Housing Units.....	7
Table 13.4-6: Housing Stock Characteristics by Tenure – 2020.....	8
Table 13.4-7: Fair Market Rents in Santa Clara County	10
Table 13.4-8: Market Rents Per Unit by Bedroom – Q3 2022	10
Table 13.4-9: Special Needs Groups	10
Table 13.4-10: Housing Properties for Persons with Disabilities	13
Table 13.4-11: Housing Properties for Seniors	14
Table 13.4-12: Senior Households by Income and Tenure	14
Table 13.4-13: Cost-Burdened Senior Households by Income Level.....	15
Table 13.4-14: Household Size by Tenure.....	16
Table 13.4-15: Farm Operations and Farm Labor in Santa Clara County	17
Table 13.4-16: Migrant Worker Student Population	18
Table 13.4-17: Housing Inventory Count for Sheltered Individuals.....	19
Table 13.4-18: Emergency Housing Providers in the City of Santa Clara.....	20



**SANTA CLARA
HOUSING ELEMENT**

Table 13.4-19: Emergency Assistance Network	23
Table 13.4-20: At-Risk Housing.....	24
Table 13.4-21: Market Value of At-Risk Projects	25
Table 13.4-22: Replacement Costs of At-Risk Projects	26
Table 13.4-23: Regional Housing Needs Allocation 2023-2031.....	27

Chapter 13.5

Constraints Analysis

Many factors can encourage or constrain the development, maintenance, and improvement of housing stock. These factors fall into two categories — governmental and non-governmental constraints — and include physical constraints, land availability, development economics, and governmental regulations, all of which impact the cost and amount of housing produced. These constraints may result in housing that is not affordable to low- and moderate-income households or may render residential construction economically infeasible for developers. Constraints to housing production significantly impact households with lower incomes and special needs.

This chapter addresses both the governmental and non-governmental constraints that impact the City of Santa Clara's housing market and production. State law requires that Housing Elements analyze potential and actual governmental and non-governmental constraints to the production, maintenance, and improvement of housing for persons of all income levels and disabilities. The constraints analysis must also demonstrate local efforts to remove or mitigate barriers to housing production and housing for persons with disabilities. Where constraints to housing production related to the City's regulations or land use controls are identified, appropriate programs to remove or mitigate these constraints are included in the Housing Plan.

Government Constraints

Governmental constraints for affordable housing development are defined as policies, standards, requirements, or actions imposed by the various levels of government upon land and housing development. Although State and federal agencies play a role in the imposition of governmental constraints, local government's ability to influence these agencies is generally limited. Housing constraints associated with these State and federal governmental constraints are, therefore, not significantly addressed in this document.

Municipal Boundaries

The City of Santa Clara is completely surrounded by the boundaries of other cities: San José to the north, east and south; and Cupertino and Sunnyvale to the west. Other than a small parcel on Homestead Road, there are no other developable lands potentially annexable to the City. The City's new housing opportunities, therefore, must come from within the existing City limits, and primarily through redevelopment of existing parcels.



Land Use Controls and Development Standards

Land use controls have helped maintain the quality of the City's residential neighborhoods, consistent with community established goals. These land use controls, however, can be viewed as constraints in that they determine the amount of land to be developed for housing and establish a limit on the number of units that can be built on a site. These standards have not been changed substantially since 1969.

General Plan

On November 16, 2010, the Santa Clara City Council adopted the 2010-2035 General Plan. The 2010-2035 General Plan includes a range of residential land use designations and densities, from Very Low Density Residential with a maximum density of 10 dwelling units per acre, to High Density Residential with a maximum density of 50 units per acre. The new General Plan has also established three mixed use designations: Neighborhood Mixed Use, which allows residential densities up to 36 dwelling units per acre; Community Mixed Use, which allows residential densities up to 36 dwelling units per acre; and Regional Mixed Use, which allows residential densities up to 50 dwelling units per acre. The Related Santa Clara Project, Lawrence Station Area Plan, the Tasman East Specific Plan, the Patrick Henry Drive Specific Plan, and the Gateway Crossings project added higher-density General Plan designations for a total of fifteen land use designations that allow for residential development, as shown in Table 13.5-1.

Because of high land costs in the City, sites that are zoned for high-density housing are typically occupied by multi-family housing developments. The City has few instances where single-family homes occupy sites that are zoned for higher density housing.

Table 13.5-1: 2010-2035 General Plan Land Use Designations (Residential)

<i>Land Use Designation</i>	<i>Density/ FAR</i>
Very Low Density Residential	0 to 10 du/acre
Low Density Residential	8 to 19 du/acre
Medium Density Residential	20 to 36 du/acre
High Density Residential	37 to 50 du/acre
Very High Density Residential	51 to 100 du/acre
High Density Flex	60 to 149 du/acre
Urban Village	100 to 149 du/acre
Village Residential	60 to 149 du/acre
Urban Center	120 to 250 du/acre
Urban Center/ Entertainment District	37 to 90 du/acre
Transit Neighborhood	Up to 350 du/acre Less than 1 acre, minimum 60 du/acre Greater or equal to 1 acre, minimum 100 du/ac
Very High Density Mixed Use	50 to 120 du/acre

Table 13.5-1: 2010-2035 General Plan Land Use Designations (Residential)

<i>Land Use Designation</i>	<i>Density/ FAR</i>
Neighborhood Mixed Use	Minimum 10 du/acre for sites < 1 acre Minimum 20 du/acre for sites ≥ 1 acre Maximum 36 du/ ac Minimum Commercial FAR of 0.10
Community Mixed Use	Residential 20 to 36 du/acre Minimum Commercial FAR of 0.10
Regional Mixed Use	Residential 37 to 50 du/acre Minimum Commercial FAR of 0.15

Source(s): Santa Clara General Plan, Lawrence Station Area Plan (LSAP), Patrick Henry Drive Specific Plan (PHD), Tasman East Specific Plan, Related Santa Clara Project, Gateway Crossings Project, City of Santa Clara June 2022

Zoning Ordinance

The type, location and density of residential development are primarily regulated through the zoning ordinance. Zoning regulations serve to protect and promote the health, safety, and general welfare of the residents of a community while also serving to implement the goals and policies of the General Plan. The City began a comprehensive update to their Zoning Ordinance to reflect the goals and policies of the City's 2010-2035 General Plan in early 2014. The City is in the process of completing an update to the Zoning Ordinance that will be implemented in early 2023, addressing California statutory requirements with regard to a variety of issues, including solar energy systems, family day care homes, affordable housing, group homes, alterations to legal non-conforming buildings, and historic resources.

Currently, residential uses are permitted in ten zoning districts and in the City's mixed use overlay and combining districts, allowing flexibility for mixing land uses and supporting large-scale and master-planned development projects.

Density Bonus

The City's Density Bonus Ordinance was updated in 2015. The City currently provides density bonuses or equivalent financial incentives for housing projects which include affordable and/or senior housing units, consistent with State law. Modifications to the City's Density Bonus Ordinance, in order to meet the requirements of Government Code Section 65915, were made in conjunction with the adoption of the 2015-2023 Housing Element.

The City's Zoning Ordinance update, which will be implemented in early 2023, will bring the City into compliance with State Density Bonus Law, including recently adopted legislation that goes into effect in 2023.

Currently, requests for density bonuses and other concessions or incentives are generally processed concurrently with an application for a Planned Development rezoning. With the Zoning Ordinance update, most properties could develop under a conventional zoning district,



SANTA CLARA HOUSING ELEMENT

including properties that will be rezoned to one of the new high density residential or mixed use zoning districts. Under the updated Zoning Ordinance, requests for density bonuses and other concessions or incentives will generally be evaluated through the Planning permit process required for the project. Residential developments would be subject to by right approval by the Director of Community Development, including provisions for additional units allowed via density bonuses. Density bonus agreements would ultimately be approved by the City Council.

Inclusionary Housing

The City has had an “inclusionary” housing policy in place since 1992. The Affordable Housing Ordinance of 2018 requires private development projects with more than 10 units to include at least 15 percent of new housing units as affordable. For residential ownership projects with fewer than 10 units, either one dwelling at an affordable housing cost for a household earning up to 100 percent of AMI may be provided, or an in-lieu fee identified for residential ownership projects in the Affordable Housing Master Fee Schedule may be paid. Residential rental projects of 10 or more units must also provide at least 15 percent of the units at a maximum average of 100 percent AMI. Residential rental projects with fewer than 10 units may either provide an affordable unit or pay an in-lieu fee identified for residential rental projects in the Affordable Housing Master Fee Schedule. The City Council can also authorize a developer to utilize an alternate means of compliance such as a dedication of land for affordable housing, the development of affordable units at an off-site location, or some combination thereof.

The City’s Residential Density Bonus Standards make it clear that the provision of affordable units through the City’s inclusionary housing ordinance count toward units provided for the purpose of receiving benefits under the state’s density bonus law. As a part of the Action 2, Affordable Housing Ordinance, City staff will bring forward a revised affordable housing ordinance that includes deeper levels of affordability (5% at 50% AMI, 5% at 80% AMI and 5% at 120% AMI), which will make all development projects eligible for a density bonus. For non-residential projects, affordable housing requirements may be met through the payment of impact fees identified in the Affordable Housing Master Fee Schedule, calculated on a per square foot basis for net new gross floor area. This impact fee can be mitigated through the construction of affordable residential units on an appropriate housing site. For all new construction of mixed use projects that exceed 20,000 square feet, affordable housing requirements on the residential gross floor area portion of the mixed use project shall be met in line with the provisions of SCCC 17.40.080 or SCCC 17.40.090. Affordable housing requirements applicable on the non-residential gross floor area portion of the mixed use project shall be met in line with the provision of SCCC 17.40.100. As an alternative to the payment of an impact fee, a developer or owner may construct affordable residential units on an appropriate housing site.

As of 2021, the City has exceeded its fifth cycle RHNA goals by 3,013 units and has attained 289.1% of that goal without counting units permitted in 2022. This suggests that the City’s

inclusionary housing ordinance is not impacting feasibility to the point that market rate development is not occurring to meet housing needs. In fact, staff received input during Housing Element outreach asking that the affordable housing ordinance require deeper levels of affordability because 100%AMI is no longer affordable for many households in Santa Clara. If the City does amend its required affordability, it would need to consult with market rate and affordable housing developers to balance concerns about the depth of affordability and project feasibility.

On May 5, 2022, City staff participated in a countywide listening session with market rate and affordable housing developers. Regarding inclusionary policies, developers suggested that allowing flexibility in the options available (i.e. land dedication) to market rate developers was very important and opened up possibilities to partner with affordable developers. The City's inclusionary ordinance does offer flexibility in meeting its obligations.

Residential Development Standards

The City's Zoning Ordinance contains development standards for each zoning district. Table 13.5-2 outlines the residential standards under each zoning classification and specific area plans, including minimum lot sizes, setbacks, widths, and densities, as well as restrictions on building and landscape coverage.

Table 13.5-2: Residential Development Standards

<i>Residential Use Type</i>	<i>R1-8L</i>	<i>R1-6L</i>	<i>R2-7L</i>	<i>R3-18D</i>	<i>R3-25D</i>	<i>R3-36D</i>	<i>R3-M</i>	<i>R3-RV</i>	<i>MU</i>	<i>TMU</i>	<i>LSAP</i>	<i>TN</i>	<i>PHD</i>
Minimum Lot Size (sq. ft.)	8,000	6,000	7,000	8,500	8,500	8,500	1,500	1,200	20,000	20,000	n/a	n/a	8,500 – 10,000
Maximum Density (du/ac)	5	7	12	18	25	36	10	n/a	25	45	100	350	250
Minimum Lot Width (ft.)	70	60	65	70	70	70	n/a	100	100	100	n/a	n/a	n/a
Maximum Height (ft.)	25	25	25	20	25	45	n/a	n/a	45	50	n/a	220	32
Minimum Front Yard (ft.)	20	20	20	20	20	20	25	15	10	10	n/a	n/a	n/a
Minimum Side Yard (ft.)	6 & 9	5	5	10	10	10	15 & 25	5 & 15	10	10	n/a	n/a	n/a
Minimum Rear Yard (ft.)	20	20	15	15	15	20	15	n/a	20	20	n/a	n/a	n/a



Table 13.5-2: Residential Development Standards

<i>Residential Use Type</i>	<i>R1-8L</i>	<i>R1-6L</i>	<i>R2-7L</i>	<i>R3-18D</i>	<i>R3-25D</i>	<i>R3-36D</i>	<i>R3-M</i>	<i>R3-RV</i>	<i>MU</i>	<i>TMU</i>	<i>LSAP</i>	<i>TN</i>	<i>PHD</i>
Max. Building Coverage	40%	40%	45%	35%	35%	45%	n/a	n/a	30%	30%	n/a	n/a	n/a
Min. Landscape Coverage	n/a	n/a	40%	40% ¹	40% ¹	40% ¹	n/a	n/a	30%	30%	n/a	n/a	n/a

Source(s): Santa Clara Zoning Ordinance, (2014), Tasman East Focus Area Plan, Lawrence Station Area Plan (LSAP), Patrick Henry Drive Specific Plan (PHD)

Notes:

1 Each lot greater than 22,000 square feet in size shall have not less than forty-five percent (45%) of the lot area developed into permanently maintained open space.

In addition to the residential categories identified below, the Planned Development zoning district also permits residential development. It allows flexibility in both development standards and land use mix not permitted in other zones in order to adapt to specific site constraints without reducing housing density or adding costs to affordable housing units. An analysis of Santa Clara's development regulations compared with those of Mountain View, Sunnyvale, and San José, showed that these cities have fairly similar standards. Additionally, in 2014 the City initiated an update to its Zoning Ordinance. As part of that update, the City will establish appropriate minimum and maximum densities in residential and mixed use districts consistent with the 2010-2035 General Plan. In sum, the City's development standards do not substantially restrict the cost and supply of housing overall, or in particular, lower income housing

Parking Standards

Parking can substantially add to the cost of housing. The City's Zoning Ordinance currently requires two spaces per unit in both single-family and multi-family districts. However, the City has reduced parking requirements for a number of recent multi-family residential projects, including the Camino Del Rey Senior Apartments. The City's current parking standards are summarized in Table 13.5-3 below. Over the three most recently adopted Specific Plans (in order of adoption: Lawrence Station, Tasman East (Transit Neighborhood) and Patrick Henry Drive (PHD), residential parking requirements have been progressively reduced and now stand at one parking space per unit (or less) in both Tasman East and PHD. As part of the comprehensive Zoning Ordinance update, the City will review its citywide parking standards and will reduce residential parking requirements for multi-family uses, including unbundling and additional reductions according to housing type (e.g., housing for people with developmental and other disabilities) and according to proximity to transit. In addition, see Action 3: Affordable Housing Incentives and Facilitation, which includes an objective to apply those parking reforms to parcels within the El Camino Real Specific Plan and the Santa Clara Station Area Plan areas.

Table 13.5-3: Parking Standards

<i>Housing Type/ Zoning District</i>	<i>Requirements</i>
Single-Family Dwellings (R1-8L, R1-6L, and R2-7L zones)	Two garage or carport parking spaces
Dwellings (R3-18D, R3-25D, and R3-36D zones)	One garage or carport shall be provided for each dwelling unit, plus one parking space for each dwelling unit
Multi-Family Dwellings (MU and TMU zones) ¹	At least one garage or carport shall be provided for each dwelling unit, plus one parking space for each dwelling unit
Mobile Home Park ²	One individually accessible and one tandem parking space per mobile home site
Recreational Vehicle Park	One visitor parking space shall be provided for every fifteen (15) recreational vehicle sites or fraction thereof
Emergency Shelters	One space per shelter employee
Accessory Dwelling Unit	No parking required
LSAP Studio and One Bedroom Residential Unit	One parking space per unit
LSAP Two or more bedroom Residential Unit	Two parking spaces per unit
Transit Neighborhood	One parking space per unit
PHD	One parking space per unit greater than 550 square feet and 0.5 spaces per unit less than 550 square feet

Source(s): Santa Clara Zoning Ordinance, 2022, Lawrence Station Area Plan (LSAP), Patrick Henry Drive Specific Plan (PHD)

2. R3-M zones exist in current zoning code but are not applied anywhere in the City and won't be used in the future.

3. R3-RV zones exist in current zoning code but are not applied anywhere in the City and won't be used in the future.

In the City's multi-family districts, the City is proposing to reduce the required parking from two spaces per unit to 1½ spaces per unit and to allow for unbundled parking for any additional spaces after the first parking space for each unit.

The parking standards for the MU – Mixed Use and TMU – Transit-oriented Mixed Use districts deserve a special mention here. Those zoning districts have not been used to zone any parcels within the City of Santa Clara and have not been included in the City's Zoning Ordinance Update because there are no parcels with a corresponding General Plan Land Use designation. The impact of those parking standards on the provision of housing is therefore moot.

Provision for a Variety of Housing Types

State Housing Element law specifies that jurisdictions identify adequate sites to be made available through appropriate zoning and development standards to encourage the development of various types of housing for all economic segments of the population. This includes single-family



SANTA CLARA
HOUSING ELEMENT

housing, multi-family housing, factory-built or manufactured housing, emergency shelters, and transitional housing among others. Permitted housing types are described in Table 13.5-4. Although single-family uses are permitted in multi-family zones, this rarely occurs in the City on sites large enough for multi-family housing due to the high costs of housing and limited availability of vacant land.

Table 13.5-4: Permitted Housing Types Within Residential Zoning Classifications

	<i>R1- 8L</i>	<i>R1- 6L</i>	<i>R2- 7L</i>	<i>R3- 18D</i>	<i>R3- 25D</i>	<i>R3- 36D</i>	<i>R3- M</i>	<i>R3- RV</i>	<i>MU</i>	<i>TM U</i>	<i>ML</i>	<i>LSAP</i>	<i>TN</i>	<i>PH D</i>
Single-Family Dwellings	P	P	P	P	P	P						P		
Two-Family Dwellings			P	P	P	P						P		
Multi-Family Housing				P	P	P			P	P		P	P	P
Accessory Unit	P	P	P	P	P	P			P	P				P
Manufactured Housing	P	P												
Mobile Home Park							P							
Recreational Vehicle Park								P						
Residential Care Facilities (<6 persons)	P	P	P	P	P	P	P	P	P	P				P
Emergency Shelter											P			
Transitional Housing	P	P	P	P	P	P	P	P	P	P		P	P	P
Supportive Housing	P	P	P	P	P	P	P	P	P	P		P	P	P

Source(s): Santa Clara Zoning Ordinance, 2014, Lawrence Station Area Plan (LSAP), Patrick Henry Drive Specific Plan (PHD), Tasman East Focus Area Plan

Single-Family Dwellings

The majority of the residential areas in the City are composed of single-family districts. Single-family dwellings are permitted in all of the City's residential districts, with the exception of the mixed use and mobile home park zones. However, there are few instances where multi-family properties are developed with single-family homes.

Multi-Family Dwellings

Most residential construction in recent years has been for multi-family units. Multi-family dwellings are permitted in the R3-18D, R3-25D, and R3-36D districts, as well as in the City's mixed use zones. Existing development standards have not constrained multi-family development, which typically provide a good opportunity for affordable housing in the City.

Accessory Units

The 2021 update to the city's Accessory Unit Zoning Ordinance includes regulations which allow for both Accessory Dwelling Units (ADUs) and Junior ADUs (JADUs) on a property, allowance of ADUs in multi-family zoning districts, and reduction of the required setbacks. The Zoning Ordinance defines an accessory unit as "one additional dwelling unit that includes a single kitchen, sleeping quarters, not more than one bathroom, and not more than two bedrooms. The accessory unit may be attached to or part of the existing single-family unit or may be a detached structure and shall meet all other requirements of the Zoning Ordinance." From 2018 through 2022, 246 accessory units have been permitted in the City for an average of 49.2 units per year.

Manufactured Housing

Factory-built, modular homes constructed in compliance with the California Building Code (CBC), and mobile homes/manufactured housing units that comply with the National Manufactured Housing Construction and Safety Standards Act of 1974, placed on permanent foundations, are considered single-family dwellings and are generally treated as such. Currently, the City permits manufactured housing in all R-1, R-2, and R-3 zones. The City also permits mobile home parks and recreational vehicle parks in the R3-M and R3-RV zones, respectively.

Residential Care Facilities

Residential care facilities can be described as any family home, group care facility or similar facility, including some transitional housing facilities, for 24-hour non-medical care of persons in need of personal services, supervision, or assistance essential for sustaining the activities of daily living. In accordance with State law (Lanterman Developmental Disability Services Act, AB 846 (1977), composed of divisions 4.1, 4.5 and 4.7 of the Welfare and Institutions Code and Title 14 of the Government Code), the City permits residential care facilities serving six or fewer persons in all residential zones. The Zoning Ordinance does not explicitly address residential care facilities for more than six persons. As part of the comprehensive Zoning Code update to be completed in early 2023, the City will include the by-right approval of residential care facilities serving seven or more residents, subject to objective standards.



Emergency Shelters

An emergency shelter is defined as “housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or households may be denied emergency shelter because of an inability to pay.”

Emergency shelters are currently a permitted use in the ML (Light Industrial) zone, provided they meet the minimum property development standards in which they are located when, on the date that a complete shelter management plan is submitted to the City, the number of existing shelter beds within the City is fewer than the City’s most recent annual count of homeless persons residing within the City.

If the demonstrated need has already been met, additional emergency shelters may be conditionally permitted in the ML (Light Industrial) zone, subject to conditions with the issuance of a use permit pursuant to Chapter 18.110 SCCC. The determination required by this subsection shall occur on the date the operator submits the materials.

The shelter bed maximum is the key constraint in the current permitting process for emergency shelters and limits the number of beds that can be permitted by right in the City of Santa Clara based on the prior year’s count of people experiencing homelessness. That constraint is proposed to be removed as a part of the Zoning Ordinance Update, and the availability of potential locations for emergency shelters will be expanded. As a part of the Zoning Ordinance Update (Action 9), the City is proposing to allow emergency shelters by right in the R-3 and R-4 Residential districts, the C-C and C-R Commercial districts, and the MU-VHD Mixed Use district. This would expand the total area available for emergency shelters to 1,573 acres and would potentially allow emergency shelters along commercial corridors such as Stevens Creek Boulevard, proximate to amenities and transit.

The Zoning Ordinance update would also allow emergency shelters in the LI Light Industrial and PQP Public/Quasi-Public districts with the issuance of a Minor Use Permit.

Low Barrier Navigation Centers

A Low Barrier Navigation Center is defined 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.”

State law requires low barrier navigation centers be a use permitted by right in mixed-use zones and non-residential zones permitting multi-unit uses, if specified requirements are met.

In the City’s comprehensive Zoning Ordinance update to be completed in early 2023, Low Barrier Navigation Centers will be listed as a by-right use in the R3, R4 and R5 multi-family residential districts, the MU-NC, MU-CC, MU-RC, MU-MD, and MU-VHD mixed use districts, the C-C, C-

R, and C-D commercial districts. Like emergency shelters, Low Barrier Navigation centers would also be allowed in the LI Light Industrial and PQP Public/Quasi-Public districts subject to a Minor Use Permit.

Transitional Housing

Transitional housing is a type of housing used to facilitate the movement of homeless individuals and families to permanent housing. Transitional housing can take several forms, including group quarters with beds, single-family homes, and multi-family apartments, and typically offers case management and support services to return people to independent living (usually between six and 24 months).

California Government Code Section 65582 (h) defines “transitional housing” and “transitional housing development” as buildings configured as rental housing developments but operated under program requirements that require the termination of assistance and recirculation of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of the assistance. Pursuant to SB 2 (2007), which amended Sections 65582, 65583 and 65589.5 of the Government Code, transitional housing that is a residential use should be subject only to those restrictions that apply to other residential dwellings of the same type in the same zone.

Historically, the City has shown an ability to provide transitional housing through group homes and small apartment complexes. The Zoning Ordinance was amended, in conjunction with the adoption of the 2015-2023 Housing Element, to permit transitional housing in the same manner as other residential dwellings of the same type in the same zone, per applicable State law. The Ordinance amendment was approved by the City Council on December 9, 2014.

Supportive Housing

State law requires local jurisdictions to address the provisions for supportive housing. California Government Code Sections 65582 (f)(g) defines “supportive housing” as 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.

As with emergency shelters and transitional housing, the City has previously been able to provide supportive housing through group homes and small apartment complexes. The Zoning Ordinance was amended, in conjunction with the adoption of the 2015-2023 Housing Element, to permit supportive housing in the same manner as other residential dwellings of the same type in the same zone, per applicable State law. The Ordinance amendment was approved by the City Council on December 9, 2014.



SANTA CLARA HOUSING ELEMENT

The Zoning Ordinance update will add supportive housing as a by-right use in all multi-family and mixed-use zones.

Single-Room Occupancy (SRO) Housing

The City's proposed Zoning Ordinance will allow Single-Room Occupancy (SRO) Facilities by right in the C-C Community Commercial, C-R Regional Commercial, C-D Downtown Commercial, MU-CC Mixed Use Community Commercial, and MU-RC Mixed Use Regional Commercial districts.

Employee Housing

The City's Zoning Ordinance does not currently include provisions for employee housing. Pursuant to the Health and Safety Code, employee housing for six or fewer employees is to be treated as a single-family structure and permitted in the same manner as other dwellings of the same type in the same zone. As part of the comprehensive Zoning Ordinance update to be completed in early 2023, the City will amend the Zoning Ordinance to be consistent with these State requirements for employee housing.

Zoning and Land Use

Restrictive land use policies and zoning provisions can constrain the development of housing for persons with disabilities. Under the State Lanterman Developmental Disabilities Services Act (composed of divisions 4.1, 4.5 and 4.7 of the Welfare and Institutions Code and Title 14 of the Government Code), small licensed residential care facilities for six or fewer persons must be treated as regular residential uses and permitted by right in all residential districts. The City of Santa Clara is compliant with the Lanterman Act. Furthermore, the Zoning Ordinance is being updated concurrent with the Housing Element update to address the provision of emergency shelters, transitional housing, and supportive housing – housing types that are suitable for occupancy by persons with disabilities (see discussions on the provision of a variety of housing types earlier). Specifically, the Zoning Code Update incorporates the following provisions to be consistent with State law:

- AB 2221 (2022): Adds front setbacks to the list of development standards that cannot preclude the development of an Accessory Dwelling Unit (ADU). Added to ADUs, Section 18.60.030 of the Zoning Code Update.
- SB 897 (2022): Increases the height limit to 18 feet for detached ADUs within ½ mile of transit or on lots with multifamily dwellings, and to 25 feet or the primary dwelling height for attached ADUs. Added to ADUs, Section 18.60.030 of the Zoning Code Update.
- SB 897 (2022): Clarifies that a Junior Accessory Dwelling Unit (JADU) can be within an attached garage; if a JADU does not have a separate bathroom, it needs to have both an interior connection to the main living unit and an exterior entry; also requires owner

occupancy and deed restrictions for JADUs. Added to ADUs, Section 18.60.030 of the Zoning Code Update.

- AB 682 (2022): Allows Density Bonuses to be extended to shared housing projects. Added to Density Bonuses, Chapter 18.64 of the Zoning Code Update.
- SB 290 (2021): Changes standard language regarding incentives to not include the physical environment. Added to Density Bonuses, Chapter 18.64 of the Zoning Code Update.
- Low Barrier Navigation Centers: Adds a definition, an enumerated use, and a parking standard for Low-Barrier Navigation Centers to the Zoning Code Update. Allowed by right in the same districts that emergency shelters are allowed, and in all mixed-use districts.
- AB 2339 (2022): Changes where emergency shelters need to be zoned. In the proposed code update, Emergency Shelters are proposed to be allowed by right in the R-3 and R-4 Residential districts, the C-C and C-R Commercial districts, the MU-VHD Mixed Use district, and the LI Light Industrial district.
- AB 2162 (2018): Added Supportive Housing as a by-right use in all multi-family and mixed-use zones.
- Residential Care Facilities: Separated Residential Care Facilities from Community Care Facilities, which are non-residential in nature by adding a definition for Residential Care Facilities, and an enumerated use for residential care facilities with six or fewer residents, which are allowed by right in all residential districts, and for seven or more, which are allowed with a minor use permit, approved by the Director of Planning.

Definition of Family

A community's Zoning Ordinance can potentially restrict access to housing for households failing to qualify as a "family" by the definition specified in the Zoning Ordinance. Even if the code provides a broad definition, deciding what constitutes a "family" should be avoided by jurisdictions to prevent confusion or give the impression of restrictiveness.

California court cases have ruled that a definition of "family" that: 1) limits the number of persons in a family; 2) specifies how members of the family are related (i.e., by blood, marriage or adoption, etc.), or 3) a group of not more than a certain number of unrelated persons as a single housekeeping unit, is invalid. Court rulings stated that defining a family does not serve any legitimate or useful objective or purpose recognized under the zoning and land planning powers of the jurisdiction, and therefore violates rights of privacy under the California Constitution.

The Santa Clara Zoning Ordinance defines a family as "an individual or group of persons living together as a single housekeeping unit in a dwelling unit, including State or County licensed residence programs which comply with State law. Family shall not be construed to include a fraternity, sorority, club, or other group of persons occupying a hotel, boarding house, or similar institution." This definition is not overly restrictive and does not constrain access to, or the development of housing.



Reasonable Accommodation

Both the federal Fair Housing Amendments Act (FHAA) 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 City conducted an analysis of its Zoning Ordinance, permitting procedures, development standards, and building codes to identify potential constraints for housing for persons with disabilities. The City's policies and regulations regarding housing for persons with disabilities are described below.

A request to retrofit an existing residence with accessibility equipment (i.e., a ramp, landing, lift, etc.) is typically approved "over the counter", if the proposal does not negatively impact the neighborhood or surrounding properties. When more review is required, the request is reviewed through the City's Development Review process. However, at times it may be reasonable to accommodate requests from persons with disabilities to waive specific standards or procedures of the Zoning Ordinance to ensure that homes are accessible to persons with disabilities. In conjunction with the adoption of the 2015-2023 Housing Element, the City adopted a reasonable accommodations ordinance. The Ordinance amendment was approved by the City Council on December 9, 2014. That ordinance is codified as Chapter 18.118 of the Zoning Code.

The required Zoning Code findings for approval or denial of a reasonable accommodation request are as follows (Section 18.118.040):

(f) Findings. A written determination to approve, approve with conditions, or deny a request for reasonable accommodation shall be based on the following factors:

- (1) Whether the parcel and/or housing that is the subject of the request for reasonable accommodation will be used by an individual with a disability;
- (2) Whether the request for reasonable accommodation is necessary to make the specific housing available to an individual with a disability;
- (3) Whether the requested reasonable accommodation would impose an undue financial or administrative burden on the City; and
- (4) Whether the requested reasonable accommodation would require a fundamental alteration of the zoning or building laws, policies, and/or other procedures of the City.

Approvals of Reasonable Accommodation requests are made at staff level, by the Zoning Administrator.

The processing fee for a Reasonable Accommodation request is \$846, or the equivalent of a Minor Amendment to an Approved Project. Processing times vary from less than week for over-the-

counter approvals for things like a new access ramp to 2-3 months for larger projects requiring a public hearing.

The Zoning Ordinance Update also includes a staff-level Reasonable Accommodation process, approved by the Director of Community Development. The approval findings are largely the same, but include an extra consideration regarding other, different reasonable accommodations that might have an equivalent level of benefit (Finding F, below):

18.118.060 – Findings and Decision

The written decision to approve, conditionally approve, approve with modifications, or deny a request for Reasonable Accommodation shall be based on consideration of all of the following factors:

- A. The physical attributes of the property and structures;
- B. Whether the housing, which is the subject of the request, will be used by an individual with a disability;
- C. Whether the request for Reasonable Accommodation is necessary to make specific housing available to an individual with a disability;
- D. Whether the requested Reasonable Accommodation would impose an undue financial or administrative burden on the City;
- E. Whether the requested Reasonable Accommodation would require a fundamental alteration in the nature of a City program, policy, procedure, or law, including but not limited to land use and zoning; and
- F. Whether alternative Reasonable Accommodations may provide an equivalent level of benefit.

Building Codes and Enforcement

The City enforces Title 24 of the California Code of Regulations that regulates the access and adaptability of buildings to accommodate persons with disabilities. Government Code Section 12955.1 requires that 10 percent of the total dwelling units in multi-family buildings without elevators, consisting of three or more rental units or four or more condominium units, are subject to the following building standards for persons with disabilities:

- The primary entry to the dwelling unit shall be on an accessible route unless exempted by site impracticality tests.
- At least one powder room or bathroom shall be located on the primary entry level served by an accessible route.



SANTA CLARA HOUSING ELEMENT

- All rooms or spaces located on the primary entry level shall be served by an accessible route. Rooms and spaces located on the primary entry level and subject to this chapter may include but are not limited to kitchens, powder rooms, bathrooms, living rooms, bedrooms, or hallways.
- Common use areas shall be accessible.
- If common tenant parking is provided, accessible parking is required.

Compliance with Building Codes and State accessibility laws and regulations (California Code of Regulations (CCR) Title 24) may increase the cost of housing production and impact the viability of rehabilitating older properties. These regulations are minimum Statewide standards to ensure safety and accessibility and do not significantly contribute to governmental constraints regarding housing for persons with disabilities. In addition, the City does not impose supplemental local requirements with respect to accessibility. Compliance with provisions of the Code of Regulations, California Building Standards Code, and federal Americans with Disabilities Act (ADA) is assessed and enforced by the Building Division of the Community Development Department as a part of the building permit submittal process.

Planning and Development Fees

The City and other agencies assess a number of fees that affect the development and cost of housing. Utility service connection fees; upgrade of public curb, gutter, and sidewalk (and sewer lateral(s) if necessary); permit fees; and dedication requirements are similar or lower compared to those in other communities in Santa Clara County and the Bay Area. In some cases, fees for street trees, drainage, and traffic mitigation are also collected. Table 13.5-5 provides a breakdown of all planning, engineering, and other development fees that may be pertinent to different types of residential projects.

Table 13.5-5: Planning and Development Fees

<i>Application</i>	<i>Fee</i>
Planning Fees	
Architectural Review	\$813-\$32,529
Development Agreement	\$10,844-\$32,529
Environmental Impact Report	\$32,529
General Plan Amendment	\$2,710-\$37,950
Initial Study/ Negative Declaration	\$21,686
Lot Line Adjustment	\$5,422
Mills Act Application	\$7,694
Rezoning	\$8,338-\$65,058
Tentative Parcel Map	\$16,264 - \$21,686
Tentative Subdivision Map	\$5,422-\$21,686
Use Permit	\$5,725-\$13,251
Variance	\$3,187-\$9,473
Vesting Tentative Parcel Map	\$3,650-\$4,950

Table 13.5-5: Planning and Development Fees

<i>Application</i>	<i>Fee</i>
Vesting Tentative Subdivision Map	\$6,060-\$8,970
Zoning Administrator Action	\$463
Zoning Code Text Amendment	\$24,397
Development Fees	
Sanitary Sewer Outlet Charge	\$441.07 per unit; \$1,658.38 per lot; \$7,510.26 per acre
Sanitary Sewer Connection Fee	\$1,140 per unit
Sanitary Sewer Conveyance Fee	\$4,218 per unit
Street Improvements	\$105.51 per foot
Sidewalk Improvements	\$15.35per foot
Street Curb Improvements	\$38.49 per foot
Electric	Varies
Storm Drain	\$7,510.26 per acre
Storm Drain Improvements	\$38.37 per foot
Recreation Tax	\$15 for first bedroom; \$5 for each additional
School Impact Fee	\$4.08 per sq. ft.
Traffic Impact Fee	SF: \$1,274.11 per unit MF: \$566.27 per unit
Park Impact Fee	SF: \$38,068 - \$45,320 MF: \$30,659 - \$36,500

Source(s): City of Santa Clara, 2022

Notes: SF = Single Family, MF = Multi-family.

Park Impact Fee is based on type of project (SF or MF) and geographic location in the City.

Table 13.5-6 compares the planning and development fees calculated for three residential prototype projects in Santa Clara with all other jurisdictions in Santa Clara County using. Generally, Los Altos Hills, Cupertino, and Sunnyvale charge the highest fees in the area while San Jose, the County, and Los Gatos charge the lowest fees. The City of Santa Clara's fees for residential projects are moderate within the County.

Table 13.5-6: Regional Comparison of Planning and Development Total Fees (includes entitlement, building permits, and impact fees) Per Unit

<i>Jurisdiction</i>	<i>Single Family</i>	<i>Small Multi-Family</i>	<i>Large Multi-Family</i>
Campbell	\$72,556	\$20,599	\$18,541
Cupertino	\$136,596	\$77,770	\$73,959
Gilroy	\$69,219	\$40,195	\$39,135
Los Altos Hills	\$146,631	N/A	N/A
Los Gatos	\$32,458	\$5,764	\$3,269
Milpitas	\$77,198	\$74,326	\$59,740
Monte Sereno	\$33,445	\$4,815	\$4,156
Morgan Hill	\$55,903	\$41,374	\$36,396
Mountain View	\$90,423	\$69,497	\$82,591
San Jose	\$9,919	\$23,410	\$23,410



**Table 13.5-6: Regional Comparison of Planning and Development Total Fees
(includes entitlement, building permits, and impact fees) Per Unit**

<i>Jurisdiction</i>	<i>Single Family</i>	<i>Small Multi-Family</i>	<i>Large Multi-Family</i>
Santa Clara	\$72,034	\$64,980	\$62,084
Saratoga	\$64,272	\$17,063	\$15,391
Sunnyvale	\$133,389	\$126,673	\$98,292
Unincorporated County	\$25,166	N/A	N/A

Source(s): Century Urban Report Spring 2022

Note: Prototype project details:

Single Family = 2,600 square foot with 500 square foot garage (total development costs \$2,777,000)

Small Multi-Family = 10 units (total development costs \$7,548,750).

Large Multi-Family = 100 units (total development costs \$70,110,000).

In Santa Clara, the per dwelling unit fees are moderate when compared with other jurisdictions in the County, and the per dwelling unit fees for multi-family projects are less than for single family projects. The total fees for the three residential prototype projects represent only a small portion of total development costs (Single Family = 2.6%, Small Multi-Family = 8.6%, Large Multi-Family = 8.8%).

Because planning and development fees in Santa Clara are moderate compared to other jurisdictions in the County and they represent a small percentage of overall development costs, they are not considered a significant constraint to the construction of market-rate or affordable housing. Lower per dwelling unit fees for multi-family projects, compared with fees for single family projects, supports the construction of more naturally affordable multi-family housing.

Planning and Development fees have not been a significant constraint to the development of housing in the City of Santa Clara as evidenced by the total of 12,216 units in 34 pending or approved housing projects throughout the City, including several under construction (see Table 13.6-2 Pending and Approved Projects). Most of these projects provide a range of units affordable to different income levels. Seven of these projects are 100-percent affordable at Low and Very Low Income levels.

On- and Off-Site Improvement Requirements

On- and off- site improvements, including public streets, curbing, sidewalks, streetlights, water, sewer, and drainage requirements, have an impact on the cost of residential development. Improvement requirements for new developments are regulated under the Subdivision Ordinance (Chapter 17.05 of the City Code). Off-site improvement requirements are less costly in a fully developed community since infrastructure needed to serve infill development is already in place. However, the financial burden of improvements as the City's infrastructure ages is a concern. To assist private developers and public projects in the development process, the City has published the Standard Details document which outlines construction standards for the most

common improvement requirements, such as sidewalks, storm drains, and sewer connections. This publication is updated periodically and available on the City's website. The standards are as follows:

- Dedication of streets, alleys and other public rights-of-way or easements may be a condition of approval for a tentative, or parcel map. These requirements may be easements that are needed for streets, alleys, access, drainage, public greenways, scenic easements, public utilities, and other public purposes. In addition, these easements or dedications may include requirements for improvements.
- Required on-site street improvements can include construction of curbs, sidewalks, driveway approaches, and transitions.
- Storm drain systems must be designed to collect and convey storm water, avoid damage to adjacent properties, and support the ultimate development of the watershed. Off-site storm drain improvements may also be required to satisfy this requirement.
- Projects must connect to sewer, water, gas, and electric lines.
- Development located in the Utility Underground District, as designated in the current General Plan, is required to underground utility lines (or pay an in-lieu fee).

The City's Project Clearance Committee (a development review committee made up of representatives from different departments in the City) reviews new development applications and determines, pursuant to each City department, required infrastructure improvements and conditions of approval.

Local Processing and Permit Procedures

Development review can affect housing costs. Timelines for permit processing are estimated for various permit and approval types in Table 13.5-6 and Table 13.5-7. There are no constraints to affordable housing or multi-family housing over and above requirements for single-family and market rate units. Moreover, permit processing in Santa Clara is consistent with, if not faster and more effective than, permitting in comparable nearby cities. Project processing, from initial submittal through discretionary review and building permit approval, averages six months for most residential developments.

Table 13.5-7: Planning and Permit Procedures

<i>Type of Approval/ Permit</i>	<i>Processing Time</i>	<i>Approval Body</i>
Ministerial Review	0 to 2 weeks	Staff
Conditional Use Permit	1 and ½ to 4 months	Planning Commission
Zone Change	4 to 9 months	City Council
General Plan Amendments	4 to 9 months	City Council
Site Plan Review	2 to 6 weeks	Staff
Architectural/ Design Review	3 to 12 weeks	Director of Community Development



Table 13.5-7: Planning and Permit Procedures

<i>Type of Approval/ Permit</i>	<i>Processing Time</i>	<i>Approval Body</i>
Tentative Map (fewer than 5 parcels)	3 to 6 months	City Council
Tentative Map (more than 5 parcels)	3 to 6 months	City Council
Initial Environmental Study	3 to 6 months	Approval Body
Environmental Impact Report	12 to 18 months	Approval Body

Source(s): City of Santa Clara, 2022

The following review and hearing bodies would typically be involved in the approval process for a new housing or mixed use development project:

- **Project Clearance Committee (PCC):** The development review committee made up of representatives from different departments in the City typically including Planning, Public Works (Engineering and Traffic), Utilities (Water, Sewer, and Electric), Police, Fire, and the Building Division.
- **Director of Community Development:** The Director of Community Development or designee hears projects subject to the Architectural Review process.
- **Historical Landmarks Commission (HLC):** An appointed commission of members of the public who review proposals and make recommendations related to structures on the local, State, or national register of historic places, as well as applications for Mills Act contracts.
- **Planning Commission (PC):** An appointed commission of members of the public who review development applications for consistency with the General Plan and Zoning Ordinance of the City of Santa Clara and are the deciding body for variances and Conditional Use Permits.
- **City Council (CC):** A body of seven elected individuals who act as the governing body for the City of Santa Clara.

Architectural Review Process

Architectural review in Santa Clara is intended to ensure the implementation of Zoning Ordinance standards and General Plan policies. Architectural review is typically required for most residential projects, including multi-family developments, as well as single-family attached developments and developments taller than one story. This process does not provide any additional burden for affordable housing projects and therefore are not considered a constraint to development. This process is codified in Chapter 18.76 of the City's Zoning Ordinance, which was revised in 2020 to create a streamlined process by replacing a committee structure as the approval body for Architectural Review applications with the Director of Community Development.

Under this process, an applicant submits plans and drawings for any sign, building, structure, or alteration of the exterior of a structure in a form and detail prescribed by the Director of Community Development. The Community Development Director or designee limits decisions on multifamily projects to objective standards in conformance with the State of California's Housing Accountability Act. The following considerations are used by the Director of Community Development in rendering decisions on all Architectural Review applications, which also include commercial and industrial development proposals.

- Off-street parking areas, screening strips and other facilities and improvements must meet the Zoning Ordinance and General Plan intent. Any applicable state legislation that waives or reduces parking standards are applied.
- Design and location of the proposed development and its relation to neighboring developments and traffic will not impair the desirability of the neighborhood, will not create traffic congestion or hazard, and will not be detrimental to harmonious development. For multifamily residential projects, ensuring the application of objective development standards will be used to determine if the development meets this standard.
- Approval will not adversely impact the health, comfort or general welfare of persons residing or working in the neighborhood. For multifamily residential projects, ensuring the application of objective development standards will be used to determine if the development meets this standard.
- The Director of Community Development may require the applicant to modify buildings, parking areas, landscaping, signs, and other facilities and improvements to meet Zoning Ordinance and General Plan requirements.
- The granting of any architectural approval is an administrative function; therefore, the action is final and conclusive, except in the event of an appeal.
- In the event the applicant or others affected are not satisfied with the decision of the Director, they may appeal the decision to the City Council. In the case of permits for single-family homes, the affected parties first appeal is to the Planning Commission, and if still not satisfied, the affected party may appeal to City Council.
- Any architectural review approval granted shall be automatically revoked and terminated if not used within two years of original grant or within the period of any authorized extensions.

Since the City Council adopted the streamlined Architectural Review process in 2020, no Architectural Review applications for multi-family housing have been denied.

A typical residential development project in a standard zoning district would be required to obtain approval through the Development Review Hearing process, heard by the Director of Planning. Such a project would typically be subdivided, requiring a Tentative Map as well. Prior to obtaining these entitlements, projects go through the process of review by the project planner, and by the Project Clearance Committee to work out details and conditions from each City



department. The associated environmental review per the California Environmental Quality Act (CEQA) would also be completed during this process. The time it takes to complete this process varies per project. However, from initial submittal to approval, the process typically takes four to six months, or four to 18 months if an EIR is required.

SB 35 Streamlining

In accordance with Government Code section 65913.4 (SB 35 (2017)), applications for multi-family residential development that include a minimum of 50 percent lower income units may be eligible for a streamlined, ministerial approval process if they meet objective standards as outlined in the Government Code. By March 2023, the City will create an SB 35 checklist and written procedures for processing SB 35 applications.

Planned Development

Many residential development projects in the City are processed via the Planned Development (PD) process to integrate uses, utilize imaginative planning and design concepts, subdivide land in a manner that results in units not having required frontage on a dedicated public street, or to create a community ownership project. Through the PD process, the number of units permitted is governed by the General Plan.

A development plan is required to process a PD. The plan must be designed to provide an environment of a stable and desirable character, and comply with the General plan land use designation, and justify the mixture of normally separated uses and exceptions to normal regulations (such as on-site parking, landscaping, building lot coverage, height limits, setback requirements, required distances, and buffering between residential and commercial components). An application for a planned development zoning must accompany the development plan. Construction of the project must begin within two years of the City Council approval. The time to process a PD is estimated between six and 12 months. Given that the City has created conventional/conforming zoning districts that allow densities of at least 100 DU/AC, the use of the PD zoning process is optional.

Table 13.5-8 presents the number of units applied for in the last three years, along with the permit process attached to each unit. Over the last three years a total of 2,730 residential units have been applied for with 220 units, or 8% of the total applied for using the PD zoning process. In addition, new permitting processes mandated by changes to state law such as SB 330 and AB 3194, have created alternate non-discretionary pathways for the approval of projects not consistent with the approved zoning ordinance.

Adoption of the Zoning Ordinance (Action 9 in the Housing Plan) will also eliminate barriers to the by-right non-discretionary approval of Housing projects by creating and applying mixed use zoning districts along the El Camino Real corridor, where PD zonings have typically been used to create housing projects in the absence of adopted zoning designations for the corridor,

Table 13.5-8. Residential permit process, 2020-2022

Year	Architectural Review	PD zoning	ADUs
2020	1,040	114	75
2021	529	106	83
2022	1,684	0	150
<i>Total units applied for 2020-2022 = 2,730</i>			

All new large-scale development projects of at least 25 contiguous acres where a mixture of residential with commercial, office, research and development and/or public uses is proposed are required to be rezoned to the Planned Development-Master Community (PD-MC) zoning district. An application for rezoning to the PD-MC district is submitted as a separate application from the site development application and must include a master community plan that, if approved by the City Council, will become a part of the zoning map of the City of Santa Clara. The master community plan must conform to the City's General Plan and overall residential density must also conform to the City's General Plan, though individual housing types could be greater or less than the average.

An application for development within a PD-MC district must include a development area plan, which may be submitted any time subsequent to submittal of the PD-MC district application. A development area plan must be a minimum of 20 percent of the total acreage of the project or 10 acres, whichever is less. If the development area includes property designated for a public use or is proposed for use as affordable housing, then no minimum acreage shall apply. The Director of Planning and Inspection also has the authority to waive the minimum acreage requirement under exceptional circumstances.

Consideration of development area plans will include notification to surrounding property owners and neighbors in the same fashion as the original master community plan hearings. The Planning Commission is responsible for considering the development area plan application concurrent with or after its consideration of the master community plan application. In general, the time for the processing and review of PD-MC applications averages 12-18 months. This is an appropriate timeframe given the scale of these types of projects, which usually require the preparation of an Environmental Impact Report (EIR). Construction in each development area must begin within two years of final development area plan approval by the City Council. The Planning Commission may also grant extensions of up to two years (per extension). Developments in the PD-MC district are not required to undergo the Architectural Review



SANTA CLARA HOUSING ELEMENT

process. However, most residential development activities in the City do not require the processing of a PD-MC, just a Planned Development (PD) permit.

The Related Santa Clara project, located just north of the stadium is only the second development to use the PC-MC process. The first development, Rivermark, on the site of the Agnews Developmental Center campus, was approved in 2000. Given the constrained nature of the city boundaries and the fact that the city is built out, it is unlikely that developers will be using the PD-MC process in the future.

In the neighboring City of Cupertino, multi-family planned development projects take approximately four months to process, assuming no Environmental Impact Reports (EIR) would be required. However, if an EIR is required, the timeframe can be extended significantly. In Mountain View, another neighboring jurisdiction, the timeframe to process and review a large-scale development is approximately six to 12 months. Similarly, in Santa Clara, the timing for the processing and review of a PD or PD-MC application is largely dependent on the environmental clearance requirements.

The Zoning Ordinance update should reduce the number of projects that have historically relied on the PD process by including new high-density residential and mixed-use zoning districts that conform to the General Plan, and new provisions that streamline the permitting process for projects that meet new objective development standards.

Zoning Transparency

Per AB 1483 (2019), for purposes of zoning and fee transparency, the City of Santa Clara provides the following information online:

The Zoning Ordinance is available on the City's website at:

<https://www.codepublishing.com/CA/SantaClara/#!/SantaClara18/SantaClara18.html>

Zoning designations for every parcel with the City of Santa Clara is available at:

<https://map.santaclaraca.gov/public/index.html?viewer=regional>

The City's Planning Fee schedule is available at:

<https://www.santaclaraca.gov/home/showpublisheddocument/56997/637291919770930000>

Building Codes and Enforcement

Title 24 of the California Code of Regulations, also referred to as the California Building Standards Code (CBSC), governs the design and construction of buildings, facilities, and associated equipment throughout California.

The City of Santa Clara adopted the current 2019 Building Standards Code, with amendments, in November of 2018, and those standards have been in effect since January 1, 2020.

On October 18, 2022 the City Council adopted the 2022 CBSC, with local amendments, to be effective January 1, 2023. The local amendments, which are intended to address building safety concerns of relevance to the City of Santa Clara, include the following elements:

- 2022 California Building Code, Chapter 3 and Chapter 9: Additional automatic fire sprinkler requirements for Group R3 occupancies.
- 2022 California Building Code, Chapter 10: Additional requirements for safe stairway configuration and the routing of emergency exit paths to facilitate emergency egress out of multi-story buildings.
- 2022 California Building Code, Chapter 19: Additional requirements for Structural Plain Concrete in Seismic Design Category C, D, E, or F.

These amendments were found to be prudent and necessary based upon the City's climatic, topographical, and geological conditions and are intended to promote safety for future residents in the context of Santa Clara's urban environment, particularly as the City is increasingly granting land use entitlements for higher density Type III, and in some cases, Type I construction, including the use of towers located above podiums.

The City adopted its first "Reach Code" (optional local energy code amendments that exceed or enhance State code standards) in November 2021, following a long public process. The 2021 Reach Code made local amendments to the 2019 version of the CBSC: specifically, the California Energy Code and the California Green Building Standards Code. The Reach Code mandates the use of electricity as a power source in new construction, limits installation of natural gas plumbing and meters, and increases requirements on new construction to install electric vehicle infrastructure. Non-substantive changes to the 2021 Reach Code were adopted on October 18, 2022 to reflect the 2022 update of the CBSC ("2022 Reach Code").

Existing single-family, duplex, and triplex units are inspected only when an owner seeks a permit for additional construction or when complaints are received. Certain types of major additions require the applicant to bring the building or portion thereof up to current codes. Site improvement standards for residential development in the City, with the exception of minimum parking requirements, are not more restrictive than those in surrounding jurisdictions. Parking ratios for newer multi-family districts, including the Transit Neighborhood and the Patrick Henry Drive districts, are lower than for comparable zoning designations of neighboring cities.



Airport Noise and Use Limitations

The most significant governmental constraint in the City is the State-required airport noise and Airport Land Use Commission regulations that prohibit and limit new housing near the San José International Airport within noise and safety zones. The San José Norman Y. Mineta International Airport is located to the east of, and adjacent to, the City. Noise generated by aircraft using the Airport has a noticeable effect on Santa Clara residents in the area north of the U.S. 101. Proposed housing in these areas is potentially required to have noise limiting construction methods including specially designed windows, walls, and insulation. These additional construction requirements often burden the developer and limit new construction near the airport.

Environmental and Infrastructure Constraints

The parcels identified as housing resources in the 6th cycle Housing Element are largely located in areas with adopted Specific Plans, and those Specific Plans include infrastructure plans that document existing infrastructure and any needed infrastructure improvements to support build-out of those plans, and a strategy for funding those improvements. Further, each specific plan amendment to the General Plan has conducted an Environmental Impact Report (EIR) and the Housing Element itself, upon adoption, will be CEQA compliant.

Water Supply

The City of Santa Clara receives its potable water supply from the San Francisco Public Utilities Commission (SFPUC), the Santa Clara Valley Water District (SCVWD), and groundwater from City-owned wells. In the City's 2020 Urban Water Management Plan (UWMP), the City has confirmed that it is able to meet water demands under all potential hydrologic conditions, as demonstrated by the Drought Risk Assessment required by the State's Water Code.

UWMPs, which are updated every five years, must demonstrate that the water supplier has sufficient entitlements and infrastructure to meet future water demands in their service area. Future water demands are determined using population growth estimates from the relevant general plan. For the City of Santa Clara, water supply is not an identified constraint on housing production. This has been verified in the Environmental Impact Reports for the Specific Plan areas and other housing development projects that comprise the housing units identified in this Housing Element. The addendum to the 2010 General Plan Update for the 6th Cycle Housing Element Update consolidates this information into one place for decision-makers and the public, concluding that there is sufficient existing capacity to accommodate the City's RHNA.

The City's Water and Sewer Department is in the process of adopting specific procedures to grant priority water and sewer service to developments with units affordable to lower-income households. (Gov. Code, § 65589.7.) An implementing action (Action 20, Water and Sewer Affordable Housing Service Provisions) has been added to the Housing Plan.

The SCVWDs 2020 UWMP has also indicated that it will be able to provide all water demands for Santa Clara County (including the City of Santa Clara) through 2045.

Wastewater

Wastewater is collected by sewer systems in the cities of Santa Clara and San José and conveyed by pipeline to the San José - Santa Clara Regional Wastewater Facility (RWF). If existing water treatment facilities would be insufficient to service the increased population anticipated by a general plan, the UWMP must identify new or expanded water treatment facilities to meet the additional need. If a development project is compliant with its general plan, that project's impact to water treatment facilities would be captured and planned for in the corresponding UWMP. If a development project is not compliant with its general plan designation, it will require evaluation to determine if it independently triggers a need for new or expanded facilities. The Housing Element is compliant with the City's General Plan, as amended. As such, the project's water demand is consistent with City of Santa Clara's 2020 UWMP population growth projection. Therefore, the Housing Element's impact to water treatment facilities is captured in the City of Santa Clara's 2020 UWMP, and the identified housing resources in the Housing Element do not trigger a need for additional water treatment facilities. This impact would be less than significant, and no mitigation would be required.

Energy

The City of Santa Clara owns and operates the municipal electric utility, Silicon Valley Power (SVP), which services over 57,000 residential, commercial, and industrial customers in the City of Santa Clara. It owns, operates, and participates in more than 590 megawatts of electric generating resources supplemented by purchase agreements for 261 megawatts (MW) of additional capacity. In an average year, approximately 45 percent of SVP-owned generating capacity comes from renewable energy sources—either geothermal, hydroelectric, or wind. Residential electricity demand is low compared with the energy needs of data centers and other high-tech firms that are located in Santa Clara.

In 2022, the City updated the Santa Clara Climate Action Plan to establish GHG emissions reduction measures that the City will implement to achieve the State-recommended GHG emissions reductions which include a near term reduction in GHG emissions by 2030 (SB32). The Climate Action Plan's primary goals include a transition to clean renewable energy, diversion of waste, and promoting energy efficiency, water conservation, and climate resiliency.



Street System

Vehicular circulation in the City includes a wide network of surface streets. With the influx of workers into the job-rich City during the day, commute patterns are northbound in the morning and southbound in the evening. Existing and perceived future traffic delays are a major concern of Santa Clara residents, as expressed by during community outreach activities. Since most of the City streets are fully improved with limited opportunity for widening, alternative travel modes, such as public transit, bicycling, and walking, offer opportunities to address traffic constraints.

The parcels identified as housing resources in the 6th cycle Housing Element are located in areas with adopted Specific Plans which identify and accommodate infrastructure needs and requirements. Any mitigation required is identified in each specific plan's EIR.

Seismic, Geologic, and Soil Hazards

The San Francisco Bay Area is a seismically active region with numerous active faults. No active faults run through the City, although several are present in the surrounding region. Geologists with the U.S. Geological Survey and other agencies foresee a 62 percent probability of a magnitude 6.7 or greater earthquake in the San Francisco Bay region before 2032. Seismic, Geologic, and Soils Hazards are more specifically addressed in each specific plan's EIR.

Flooding

The principal surface water drainages in the City are the San Tomas Aquino Creek, Saratoga Creek, and Calabazas Creek, which all originate in the Santa Cruz Mountains and drain northward across the urbanized Santa Clara Valley floor before discharging into the San Francisco Bay. All of these creeks have been channelized and substantially modified to reduce flood hazards in the City. The City's storm drain system is managed by the City of Santa Clara Public Works Department and consists of curb inlets that collect and channel surface water into a series of pipelines beneath City public rights-of-way. Stormwater is conveyed through these underground pipelines to the channelized creeks within the City, which then flow into the San Francisco Bay. During severe storms, flooding can occur in localized areas along streams running through the City.

Flood zone mapping by the Federal Emergency Management Authority (FEMA) indicates that approximately ten percent of the City is located within a Special Flood Hazard Area (SFHA). None of the areas identified on the sites inventory/where housing development is approved/proposed are located in a SFHA.

Non-Governmental Constraints

Locally and regionally, there are several constraints that hinder the City's ability to accommodate the community's housing needs. The high cost of land, rising development costs, and neighborhood opposition make it expensive for developers to build affordable housing. These constraints may result in housing that is not affordable to low and moderate income households or may render residential construction economically infeasible for developers. While local government has little influence on larger market factors such as interest rates, its policies and regulations can act as constraints that affect both the amount of residential development that takes place and the affordability of housing.

Land Availability

In 2022, fewer than five acres of vacant parcels (including right-of-way properties) are zoned for residential or mixed use development throughout the City, including in the three focus areas for future development (El Camino Real, Lawrence Station, and Tasman East). Of those sites identified as appropriate for new housing, some are too small to accommodate higher density development unless combined with adjacent parcels. The City revised its General Plan designations in 2010, which were supplemented through the Specific Plan process, to encourage high-quality infill redevelopment that includes higher-density housing in addition to commercial businesses in some locations. According to the City of Santa Clara website, there are currently 64 development projects pending, approved, under construction or completed, with most projects clustered around El Camino Real, Lawrence Station, and Tasman East.

Community Resistance

Historically there has been community opposition to higher density residential infill development proposed along major transportation corridors, particularly when that development is located directly adjacent to long-established single-family neighborhoods. The relatively shallow depth of many of these properties can make the transition between existing low density single-family homes and proposed higher density residential challenging. Several substantial medium and high density developments have, however, been approved in spite of such opposition. Over the past 20 years, affordability for lower and moderate income households has not been the primary concern for community opposition to residential development. Instead, community resistance has been based on density, traffic impacts, and parking.

Approximately 247 acres of vacant and underutilized land has been approved, through adoption of Specific Plans, for new higher-density residential or mixed use redevelopment in three focus areas: Lawrence Station, Tasman East, and Patrick Henry Drive. Directing higher density housing to commercial areas, with convenient access to transportation and retail services, and separation from lower-density existing neighborhoods may reduce community opposition. City regulations



that require appropriate transitions between uses and densities, and adequate parking, could reduce some of community opposition to the approval of new housing.

In addition, the enactment of AB 680 in 2022 mandates ministerial approval along commercial corridors of most residential projects that meet the minimum density requirements of that bill. Such projects must provide an affordability component to qualify, such as 15% low-income units, but this affordability percentage is already mandated by the City's inclusionary zoning ordinance, and so all projects with at least 10 units will meet the affordability requirement of AB 680. Given that the City will no longer have the discretion to deny such projects, community resistance will not be able to stop such projects from going forward along commercial corridors.

National Construction Costs

Market constraints substantially influence the cost of housing and pose a challenge to providing housing affordable for all income levels. Land prices are typically the most significant component of the cost. The cost of land has increased rapidly over the past decade. Construction costs and fluctuating interest rates are also major contributors to the increasing cost of housing in the San Francisco Bay Area.

Construction costs vary widely according to the type of development, with multi-family housing generally less expensive to construct than single-family homes. However, wide variation within each construction type exists depending on the size of the unit and the number and quality of amenities provided. Construction costs can be broken down into two primary categories: materials and labor. A major component of the cost of housing is the cost of building materials, such as wood and wood-based products, cement, asphalt, roofing materials, and pipe. The availability and demand for such materials affect prices for these goods. An indicator of construction costs is Building Valuation Data compiled by the International Code Council (ICC). The unit costs compiled by the ICC include structural, electrical, plumbing, and mechanical work, in addition to interior finish and normal site preparation. The data is national and does not consider regional differences and does not include the price of the land upon which the building is built. The national average for development costs per square foot for apartments and single-family homes in the first quarter of 2022 are \$150-\$500 per square foot depending on size and type, with an average of approximately \$200 per square foot.

For multi-family apartment buildings, the type of parking is a key variable in the overall cost of construction. For lower density buildings (2-4 story wood-frame buildings), in which surface parking is provided, construction costs are in the \$175 per square foot range. For projects that include structured parking, the garage construction costs add about \$20,000 per parking stall to the \$175 per square foot for the units. Site-specific constraints, such as flood hazards, could add additional costs if mitigations are required. Again, depending on the size and type of construction the national average is \$35,000 to \$65,000 per unit.

These costs also exclude the cost of land and soft costs, such as entitlements and financing. Reduction in amenities and the quality of building materials (above a minimum acceptability for health, safety, and adequate performance) could lower costs and associated sales prices or rents. In addition, prefabricated factory-built housing may provide for lower priced housing by reducing construction and labor costs. Another factor related to construction costs is development density. As the number of units increases, overall costs generally decrease due to economies of scale. The City's ability to mitigate high construction costs is limited without direct subsidies.

Fee Analysis

Below is a fee analysis for two single family and two multifamily scenarios that illustrate the approximate fees for the hypothetical projects. Some fees are project specific and will be calculated based on the project type, location, and narrative.

Table 13.5-8: Fee Analysis Scenarios

<p>Single-Family A new home on an empty lot in an existing neighborhood; no significant grading or other complicating factors</p> <p>Multi-Family A new multi-family project on an empty lot in an existing neighborhood; no significant grading or other complicating factors</p>	<p>Scenarios <i>Single-Family</i> Small: 2,600 residential sq ft Large: 5,000 residential sq ft *Assuming no parking</p> <p><i>Multi-Family</i> Small: 10,000 residential sq ft + 3,750 parking sq ft; 10 units Large: 93,750 residential sq ft + 40,000 parking sq ft; 100 units</p>
--	--

Table 13.5-9: Fee Analysis

<i>Action/Activity</i>	<i>Fee</i>
PLANNING ENTITLEMENT FEES	
Pre-Application	
- Single Family	\$476 + Technology Fee (3.37%)
- Planning Review	\$3,179 + Technology Fee (3.37%)
- Project Clearance Committee Review	\$5,442 + Technology Fee (3.37%)



SANTA CLARA
HOUSING ELEMENT

Table 13.5-9: Fee Analysis

<i>Action/Activity</i>	<i>Fee</i>
Architectural Review <ul style="list-style-type: none"> - Over the Counter - Single Family (that requires a Development Review Hearing) - New development/Non-Single Family - Design Consultant Review 	No Charge \$893 + Technology Fee (3.37%) \$32,529 + Technology Fee (3.37%) Deposit of Consultant Estimated Costs + Citywide Overhead + Technology Fee (3.37%)
Stormwater Management Plan Review	\$813

BUILDING PERMIT FEES

Single-Family/Duplex/ADU Residential Scaled Permit Fee

Plan Check	
<u>Project Size</u>	
1 to 250 sq. ft.	\$656.55 + Technology Fee (3.37%)
251 to 1,000 sq. ft.	
- First 250 sq. ft.	\$656.55 + Technology Fee (3.37%)
- Each additional 100 sq. ft. or fraction thereof	\$262.62 + Technology Fee (3.37%)
1,001 to 3,000 sq. ft.	
- First 1,000 sq. ft.	\$2,626.23 + Technology Fee (3.37%)
- Each additional 100 sq. ft. or fraction thereof	\$131.31 + Technology Fee (3.37%)
3,001 to +	
- First 3,000 sq. ft.	\$5,252.45 + Technology Fee (3.37%)
- Each additional 100 sq. ft. or fraction thereof	\$65.66 + Technology Fee (3.37%)
Inspection	
<u>Project Size</u>	
1 to 250 sq. ft.	\$737.10
251 to 1,000 sq. ft.	
- First 250 sq. ft.	\$737.10
- Each additional 100 sq. ft. or fraction thereof	\$226.05
1,001 to 3,000 sq. ft.	
- First 1,000 sq. ft.	\$2,432.42
- Each additional 100 sq. ft. or fraction thereof	\$191.64
3,001 to +	
- First 3,000 sq. ft.	\$6,265.31
- Each additional 100 sq. ft. or fraction thereof	\$95.82

Table 13.5-9: Fee Analysis

Action/Activity	Fee
Commercial/Multi-Family/Industrial Scaled Permit Fee	
Plan Check	
<u>Project Valuation</u>	
\$1 to \$1,000	\$109.42 + Technology Fee (3.37%)
\$1,001 to \$10,000	
- First \$1,000	\$109.42 + Technology Fee (3.37%)
- Each additional \$1,000 or fraction thereof	\$18.23 + Technology Fee (3.37%)
\$10,001 to \$75,000	
- First \$10,000	\$273.56 + Technology Fee (3.37%)
- Each additional \$1,000 or fraction thereof	\$15.99 + Technology Fee (3.37%)
\$75,001 to \$150,000	
- First \$75,000	\$1,313.12 + Technology Fee (3.37%)
- Each additional \$1,000 or fraction thereof	\$20.34 + Technology Fee (3.37%)
\$150,001 to \$750,000	
- First \$150,000	\$2,845.07 + Technology Fee (3.37%)
- Each additional \$1,000 or fraction thereof	\$7.10 + Technology Fee (3.37%)
\$750,001 to \$3,000,000	
- First \$750,000	\$7,112.69 + Technology Fee (3.37%)
- Each additional \$1,000 or fraction thereof	\$5.00 + Technology Fee (3.37%)
\$3,000,001 to \$10,000,000	
- First \$3,000,000	\$18,383.57 + Technology Fee (3.37%)
- Each additional \$1,000 or fraction thereof	\$2.93 + Technology Fee (3.37%)
\$10,000,001 to +	
- First \$10,000,000	\$38,955.65 + Technology Fee (3.37%)
- Each additional \$1,000 or fraction thereof	\$1.46 + Technology Fee (3.37%)
Inspection Permit	
\$1 to \$1,000	\$92.13 + Technology Fee (3.37%)
\$1,001 to \$10,000	
- First \$1,000	\$92.13 + Technology Fee (3.37%)
- Each additional \$1,000 or fraction thereof	\$38.90 + Technology Fee (3.37%)
\$10,001 to \$75,000	
- First \$10,000	\$441.47 + Technology Fee (3.37%)
- Each additional \$1,000 or fraction thereof	\$18.15 + Technology Fee (3.37%)



SANTA CLARA
HOUSING ELEMENT

Table 13.5-9: Fee Analysis

<i>Action/Activity</i>	<i>Fee</i>
\$75,001 to \$150,000 - First \$75,000 - Each additional \$1,000 or fraction thereof	\$1,621.60 + Technology Fee (3.37%) \$23.10 + Technology Fee (3.37%)
\$150,001 to \$750,000 - First \$150,000 - Each additional \$1,000 or fraction thereof	\$3,353.80 + Technology Fee (3.37%) \$10.07 + Technology Fee (3.37%)
\$750,001 to \$3,000,000 - First \$750,000 - Each additional \$1,000 or fraction thereof	\$9,397.97 + Technology Fee (3.37%) \$4.01 + Technology Fee (3.37%)
\$3,000,001 to \$10,000,000 - First \$3,000,000 - Each additional \$1,000 or fraction thereof	\$18,427.40 + Technology Fee (3.37%) \$3.72 + Technology Fee (3.37%)
\$10,000,001 to + - First \$10,000,000 - Each additional \$1,000 or fraction thereof	\$44,502.16 + Technology Fee (3.37%) \$1.85 + Technology Fee (3.37%)
Technology Fee	3.37% of Building Permit Fee, Electrical Permit Fee, Plumbing Permit Fee, Mechanical Permit Fee, and Plan Check & Sign Fee
Building Conformance Fee	Valuation x \$0.00032
Plan Review Fees	
Plan Review Fee (including building, mechanical, electrical & plumbing)	75% of building permit fee
Title 24 Energy Conservation Plan Review	20% of building permit fee
3-B Electrical Permit Fees	
Minimum Permit Fee	\$209 + Technology Fee (3.37%)
Permit Issuance	\$87 + Technology Fee (3.37%)
System Fee Schedule	
New Buildings or Alterations	
- Residential (per sq ft.)	\$0.22/sq ft. + Technology Fee (3.37%)
- New Garages, Carports and Accessory Buildings (per sq ft.)	\$0.08/sq ft + Technology Fee (3.37%)

Table 13.5-9: Fee Analysis

<i>Action/Activity</i>	<i>Fee</i>
3-C Mechanical Permit – New Buildings	
Residential	\$0.08/sq ft. + Technology Fee (3.37%)
3-C Plumbing Permit – New Buildings	
Residential	\$0.08/sq ft. + Technology Fee (3.37%)
3-G Grading Plan Review Fees	
50 cubic yards or less	No Fee
51 to 100 cubic yards	\$329.00 + Technology Fee (3.37%)
101 to 1,000 cubic yards	\$875.00 + Technology Fee (3.37%)
1,001 to 10,000 cubic yards	\$1,312.00 + Technology Fee (3.37%)
10,001 to 100,000 cubic yards – base	\$2,188.00 + Technology Fee (3.37%)
Each additional 10,000 cubic yards	\$97.00 + Technology Fee (3.37%)
100,001 to 200,000 cubic yards – base	\$3,063.00 + Technology Fee (3.37%)
Each additional 10,000 cubic yards	\$219.00 + Technology Fee (3.37%)
200,001 cubic yards or more – base	\$5,252.00 + Technology Fee (3.37%)
Each additional 10,000 cubic yards	\$110 + Technology Fee (3.37%)
3-H Grading Permit Fees	
100 cubic yards or less	\$441.00 + Technology Fee (3.37%)
101 to 1,000 cubic yards – base	\$441.00 + Technology Fee (3.37%)
Each additional 100 cubic yards – base	\$73.00 + Technology Fee (3.37%)
1,001 to 10,000 cubic yards	\$1,106.00 + Technology Fee (3.37%)
Each additional 1,000 cubic yards	\$49.00 + Technology Fee (3.37%)
10,001 to 100,000 cubic yards – base	\$1,547.00 + Technology Fee (3.37%)
Each additional 10,000 cubic yards	\$196.00 + Technology Fee (3.37%)
100,001 cubic yards or more – base	\$3,316.00 + Technology Fee (3.37%)
Each additional 10,000 cubic yards	\$98.00 + Technology Fee (3.37%)
Multi-Family Monitoring Fee	\$119/unit
AHA Affordable Housing Agreements – For Sale	\$3,771/agreement
Affordable Housing Application Fee	\$50/application
AHA Affordable Housing Agreements – MF For Rental	\$5,113/agreement
AHA Affordable Housing Agreements – Amendments	\$1,990/agreement



Table 13.5-9: Fee Analysis

<i>Action/Activity</i>	<i>Fee</i>
DEVELOPMENT IMPACT FEES	
Affordable Housing Fees For Sale <ul style="list-style-type: none"> - Residential - Single Family Home - Townhome - Condominium 	Fees shall be equal to the difference between the unrestricted appraised market value ("Initial Market Value") of the unit and the Affordable Sales Price of the unit, multiplied by the fractional amount due. The Initial Market Value of the last unit sold shall be the basis for calculating the in-lieu fee
Rental Residential Any tenure type	\$22.22/sq ft
Traffic Impact Fee <ul style="list-style-type: none"> - Multi-family Residential - Single-family Residential 	\$566.27/dwelling unit \$1,274.11/dwelling unit
School Fee	\$4.08/sq ft
Park Fee <ul style="list-style-type: none"> - Multi-family Residential - Single-family Residential 	\$30,659 - \$36,500 \$38,068 - \$45,320
ELECTRIC UTILITY	
Engineering Plan Check Electric, per sheet <ul style="list-style-type: none"> - 1st – 3rd check - 4th and subsequent review 	\$292.48/sheet \$41.63/sheet
Time of Use Meter Installation – Residential	\$298.89/meter
FIRE/STATE MANDATED	
Building Plans <ul style="list-style-type: none"> - 30% of Building Department Fee - Minimum: 3.5 hours 	\$756
Planning Application Review	\$865
Design Review/Consultation	\$216/hour
Miscellaneous Inspections/Plan Reviews	\$216/hour

Table 13.5-9: Fee Analysis

<i>Action/Activity</i>	<i>Fee</i>
PUBLIC WORKS	
Sanitary Sewer Outlet (choose the greatest)	
Residential – Single Family	
- Per unit	\$441.07/unit
- Per lot	\$1,658.38/lot
- Per acre	\$7,510.26/acre
Conveyance Fee	\$4,218/dwelling unit
Condo & Planned Unit Development	
- Per unit	\$441.07/unit
- Per acre	\$7,510.26/acre
Conveyance Fee	\$4,218/dwelling unit
Recreation Tax (Bedroom) New Construction Permit	
- First bedroom	\$15
- Each additional	\$5/bedroom
Project Clearance Committee Review:	
- Preliminary application	\$861.44
- Architectural review	\$861.44
Cost Analysis for Development	
- Minor (ADU, SFR, Up to 4 Residential Units)	\$416.31
- Major	\$1,011.95
Engineering Plan Review – Initial Review	
- First three (3) reviews	\$168/sheet
- Fourth and subsequent review	\$34/sheet
WATER/SEWER	
Wastewater Treatment Plant Capacity Fee	Project Specific
Engineering Plan Review	Project Specific
Project Clearance Committee Review	\$601

Hard Costs

Hard costs for a hypothetical 2,600 square foot home are about \$420 per square foot, while for a 5,000 square foot home they are about \$525 per square. For a hypothetical small multi-family unit, the hard costs are \$415 per square foot, and \$425 per square foot for a large multi-family unit.



Soft Costs

Soft costs are generally assumed to be around 30% of hard costs (plus 5% contingency). Generally, single family soft costs are \$133 per square foot for small and \$147 per square foot for large. Multifamily soft costs range between \$165 and \$159 per square foot.

Land Costs

According to the California Building Industry Association, the cost of land represents a substantial portion of the total housing development cost but has little impact on the maintenance and improvement of existing stock. In many markets, up to 25 percent of housing costs are attributable to land costs. The average land costs in California are significantly higher than land costs in other states.

Land costs for single family homes are between \$210,000 and \$2,510,000. Land costs for apartments and condos range between \$400,000 and \$1,600,000. Due in large part to limited land availability in the City, residential land has not been widely available for sale. High costs will continue to present challenges for the production of affordable housing in the City.

Availability of Financing

The availability of financing affects a person's ability to purchase or improve a home. The primary concern in a review of lending activity is to see whether home financing is generally available in the community. Financing new residential development can be a significant cost; however, residential financing for both single family and multiple family housing is generally available. Developers of single-family projects often secure loans for land acquisition, installation of improvements, and construction. Land acquisition and development loan rates are typically the prime rate plus 0.5 to 2 percent, which is currently, in 2022, between 3.99 to 5.4 percent. Mortgage rates were low for previous years but are now increasing. Apartment loan rates are generally lower. Developers of affordable housing face significant challenges in securing financing. Due to the limited possible return from rents or sales prices of affordable units, many private lenders are unable to finance affordable projects due to the rate of return. Thus, affordable developers must rely on community lending divisions, nonprofit institutions, grants and special loans, and local assistance.

This page was left intentionally blank.



SANTA CLARA HOUSING ELEMENT

Government Constraints.....	1
Environmental and Infrastructure Constraints	26
Non-Governmental Constraints	29

List of Tables

Table 13.5-1: 2010-2035 General Plan Land Use Designations (Residential).....	2
Table 13.5-2: Residential Development Standards.....	5
Table 13.5-3: Parking Standards.....	7
Table 13.5-4: Permitted Housing Types Within Residential Zoning Classifications.....	8
Table 13.5-5: Planning and Development Fees	16
Table 13.5-6: Regional Comparison of Planning and Development Total Fees Per Unit	17
Table 13.5-7: Planning and Permit Procedures	19
Table 13.5-8: Fee Analysis Scenarios	31
Table 13.5-9: Fee Analysis	31

Chapter 13.6

Housing Resources

This section analyzes the resources available for the development, rehabilitation, and preservation of housing in Santa Clara. This includes an evaluation of the availability of land resources, the City's ability to satisfy its share of the region's future housing needs, the financial resources available to support the provision of affordable housing, and the administrative resources available to assist in implementing the City's housing programs.

Availability of Sites for Housing

A critical component of the Housing Element is the identification of land suitable for residential development including vacant sites and sites having the potential for redevelopment. Santa Clara is a highly urbanized community that has very little vacant, uncommitted land for new development. The following discussion summarizes the residential growth potential in each of these areas and concludes with an assessment of how these sites can address the City's share of regional housing needs.

Regional Housing Needs Allocation (RHNA)

California General Plan law requires that every city and county have properties appropriately zoned to accommodate their fair share of regional housing need. The California Department of Housing and Community Development (HCD) allocates a numeric regional housing goal to the Association of Bay Area Governments (ABAG). ABAG is then mandated to distribute the numerical goal among the cities and counties in the region. This share is known as the Regional Housing Needs Allocation (RHNA). The RHNA process' goal is to ensure a fair distribution of new housing construction among cities and counties in the region so that every community may plan for a mix of housing types for all economic segments. The housing allocation targets are not building requirements; rather, they are planning goals for each community to accommodate through appropriate planning policies and land use regulations. Allocation targets are intended to ensure that adequate sites and zoning are made available to address anticipated housing demand during the Housing Element planning period.

The sixth cycle RHNA for the ABAG region covers an eight-year planning period (January 31, 2023 – January 31, 2031) and is divided into four income categories: very low, low, moderate, and above moderate. HCD determined that the projected housing need for the Bay Area region (including the counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma) is 444,176 new housing units for this Housing Element planning



SANTA CLARA HOUSING ELEMENT

period. As determined by ABAG, the City of Santa Clara's allocation for the 2023-2031 planning period is 11,632 housing units, with the units distributed among the four income categories as shown in Table 13.6-1.

Table 13.6-1 City of Santa Clara RHNA 2023-2031

<i>Income Group</i>	<i>Income Category (% AMI)</i>	<i>RHNA (Housing Units)</i>	<i>Percentage of Total Housing Units</i>
Very Low	<50%	2,872	25%
Low	50-80%	1,653	14%
Moderate	80-120%	1,981	17%
Above Moderate	>120%	5,126	44%
Total		11,632	100%

Source(s): Final Regional Housing Needs Allocation (RHNA) Plan: San Francisco Bay Area, 2023-2031, Updated March 2022.

Note(s):

1 AMI = Area Median Income

2 Pursuant to AB 2634, local jurisdictions are required to project the housing needs of extremely low-income households (0-30% AMI) and consider this income group a subset of the very low-income category. In estimating the number of extremely low-income households, a jurisdiction can use 50% of the very low-income allocation or apportion the very low-income figure based on Census data.

Progress Toward the RHNA

Since the RHNA uses June 30, 2022, as the baseline for growth projections for the 2023-2031 Housing Element planning period, jurisdictions may claim units approved and proposed that are anticipated to be complete (have a Certificate of Occupancy) after June 30, 2022.

Approved and proposed residential development projects credited toward the RHNA include a variety of affordable and market-rate projects in various stages of the development process. Most of these projects are concentrated within Specific Plan areas and along major thoroughfares, where residential development is expected to continue throughout the planning period. These projects are credited toward the RHNA based on the affordability and unit count of the development. Combined, a total of 11,946 units are expected to be completed within the planning period, as shown in Table 13.6-2.

Approved Projects

Approved residential development projects credited toward the 2023-2031 RHNA have been reviewed for compliance with applicable Codes and regulations and have received planning entitlement approval. These projects will proceed through the building permit application review, issuance, and construction process with anticipated completion and occupancy permits to be finalized on or after June 30, 2022.

Pending or Proposed Projects

Six projects in various stages of planning review are included as proposed projects. These sites are included although there is no certainty those units will be achieved because the proposals have not been approved, are currently under staff review, or are pending a formal application submittal. The identified realistic capacity for these sites is the total units included in the preliminary proposals.

To help ensure that pending and proposed projects will complete the development process and result in new units, the City has included an additional ongoing objective under Action 10, Adequate Sites Inventory. The Planning Division will included a narrative and table within the City's Annual Progress Report that describes the status of projects listed in Table 13.6-2, Pending and Approved Projects, and when an entitlement is nearing expiration, the Planning Division will proactively notify applicants to apply for an extension.

In Addition, the Zoning Code Update will allow administrative extensions for entitlements Development approvals are generally permitted for 2 years initially, and then two 1-year administrative extensions are allowed, which saves time and eliminates that possibility of adding conditions. The current process requires going through entitlement process again for extension.

The administrative time extension process has been added to Action 9, Zoning Ordinance.

Since there is no guarantee that the projects will be approved or developed, in the case a proposed development falls through, the sites are still available to accommodate those identified units and may be able to count toward the lower-income RHNA depending on site density and size. Affordability for these projects is assumed based on the site's location per Specific Plan requirements, the City's inclusionary housing ordinance requirements, or a developer/affordable housing agreement. The status of the following projects is as of December 2022.

As shown in Table 13.6-2 below, the total of all pending and approved projects is 12,216 units, which is 584 units more than the City's total RHNA of 11,632 units. Because the majority of pending and approved projects fall within the above moderate affordability category (10,273 units), the City has a remaining RHNA of 4,563 units in the very low, low, and moderate affordability categories.



Table 13.6-2 Pending and Approved Projects

Site/Credit Type	AFFORDABILITY CATEGORIES					Project Status	Affordability
	Very Low [0-50% AMI]	Low [50-80% AMI]	Moderate [80-120% AMI]	Above Moderate [above 120% AMI]	Total Units		
RHNA 2023-2031	2,872	1,653	1,981	5,126	11,632		
Tasman East Focus Area Specific Plan (TE)							
TE 2233 Calle Del Mundo (St. Anton)	37	158		1	196	Under Construction	<i>per Affordable Housing Agreement</i>
TE 2300 Calle De Luna (Related California)	-	-		684	684	Under Construction	<i>per Sect. 17.40.115 of City Code: 12% affordable at 100% AMI</i>
TE 5123 Calle Del Sol (Ensemble) - Phase I & II	-	-		503	503	Approved/Under Construction ¹	<i>per Sect. 17.40.115 of City Code: 12% affordable at 100% AMI</i>
TE 2200 Calle De Luna (Holland)	-	-	69	510	579	Approved	<i>per Sect. 17.40.115 of City Code: 12% affordable at 100% AMI</i>
TE 2225 Calle de Luna & 2232 Calle del Mundo	-	-	44	326	370	Approved	<i>per Sect. 17.40.115 of City Code: 12% affordable at 100% AMI</i>
TE 2263 Calle Del Mundo (Ensemble)	-	-	-	301	301	Approved	<i>per Sect. 17.40.115 of City Code: 12% affordable at 100% AMI</i>
TE 2302/2310 Calle Del Mundo (Ensemble)	74	76		1	151	Approved /Under Construction	<i>per Affordable Housing Agreement</i>
TE 2343 Calle Del Mundo (Summerhill)	-	-	41	305	346	Approved	<i>per Sect. 17.40.115 of City Code: 12% affordable at 100% AMI</i>
TE 2354 Calle Del Mundo (Ensemble)	-	-	10	78	88	Approved	<i>per Sect. 17.40.115 of City Code: 12% affordable at 100% AMI</i>
TE 2101 Tasman Drive (Related California)	-	-		950	950	Proposed	<i>per Sect. 17.40.115 of City Code: 12% affordable at 100% AMI</i>
TE 5185 Lafayette Street (Ensemble)	-	-	15	183	198	Proposed	<i>per Sect. 17.40.115 of City Code: 12% affordable at 100% AMI</i>
<i>subtotal TE project(s)</i>	111	234	179	3,842	4,366		
Patrick Henry Drive Focus Area Specific Plan (PHD)							
PHD Summerhill	16	15	15	261	307	Approved	<i>per adopted SP: 15% affordable - 5/5/5 split at 50%/80%/120% AMI</i>
PHD Sares Regis	40	40	40	680	800	Pre-application ²	<i>per adopted SP: 15% affordable - 5/5/5 split at 50%/80%/120% AMI</i>
PHD Walnut Hill	20	20	20	353	413	Pre-application ³	<i>per adopted SP: 15% affordable - 5/5/5 split at 50%/80%/120% AMI</i>
<i>subtotal PHD project(s)</i>	76	75	75	1,294	1,513	-	
Lawrence Station Area Plan (LSAP)							
LSAP 3580 Rambla Pl (Summerhill)	-	5	48	233	286	Under Construction	<i>per Affordable Housing Agreement</i>
LSAP 2961 Corvin Drive (Toll Brothers)	-	-	4	34	38	Under Construction	<i>per Affordable Housing Agreement</i>
LSAP 3305 Kifer Road (Toll Brothers)	-	-	5	40	45	Under Construction	<i>per Affordable Housing Agreement</i>
LSAP 3517 Ryder St (Westlake Urban)	-	-	-	328	328	Approved	<i>Exempt, no affordability component</i>
<i>subtotal LSAP project(s)</i>	-	5	57	635	697	-	
Freedom Circle Focus Area							
3905 Freedom Circle Mixed-Use Project (Greystar)	54	54	54	913	1,075	Approved	<i>per Affordable Housing Agreement: 15% affordable - 5/5/5 split at 50%/80%/120% AMI</i>
<i>subtotal FC project(s)</i>	54	54	54	913	1,075	-	

Site/Credit Type	AFFORDABILITY CATEGORIES					Project Status	Affordability
	Very Low [0-50% AMI]	Low [50-80% AMI]	Moderate [80-120% AMI]	Above Moderate [above 120% AMI]	Total Units		
Other							
1601 Civic Center Drive	106		2		108	Approved	
80 Saratoga Avenue	40	158	2		200	Approved	
3575 De La Cruz Boulevard	5	8	2		15	Approved	
Villa Bella Residential Project	-	4	4	48	56	Under Construction	per Inclusionary Ordinance: 15% affordable at 100% AMI
3035 El Camino Real Residential Project	-	-	4	44	48	Under Construction	per Affordable Housing Agreement: 10% affordable at or below 100% AMI + 0.8 fractional in-lieu fee/distribution of affordable units - averages to a maximum of 100 percent Area Median Income
3945 Stevens Creek Blvd - The Meridian	-	58	-	1	59	Under Construction	per Density Bonus Agreement: 100% affordable at 80% AMI
2330 Monroe Street Affordable Housing Project (Freebird)	48	16	-	1	65	Under Construction	per Affordable Housing Agreement: 100% affordable (minus 1 managers unit) - 50/50 split at V LOW/LOW
Agrihood Mixed-Use Development Project	108	55	18	144	325	Under Construction	per Affordable Housing Agreement: 160 mixed-income apartments (10% affordable at 120% AMI (16 units)) and 165 affordable senior apartments (54 units at 30% AMI; 55 units at 50% AMI; 54 units at 60% AMI; 2 units at 120% AMI)
Laguna Clara II (Equity)	-	-	9	174	183	Under Construction	Pending Affordable Housing Agreement: 5% affordable at 100% AMI
Gateway Crossings (Hunter/Storm) - Phase 1	-	37	36	652	725	Under Construction	per Developer Agreement, Phase 1: 37 affordable units at 80% AMI + 36 affordable units at 100% AMI
Clara Gardens - 3550 El Camino Real	120	-	-	-	120	Under Construction	Pending Affordable Housing Agreement: 100% affordable at 30-50% AMI
1530-1540 Pomeroy Avenue Residential Project				8	8	Approved	no affordability component
Related Santa Clara - Phase 1	-	-	20	1,660	1,680	Approved	per Development Area Plan: 20 affordable units (10% of 200) at 120% AMI [future phases, 50 affordable units at 120%]
Gateway Crossings (Hunter/Storm) - Phase 2		42	42	756	840	Proposed	per Developer Agreement, Phase 2: affordability TBD
950 Monroe Street Mixed-Use Project	-	-	8	46	54	Proposed	per Inclusionary Ordinance: 15% affordable at 100% AMI
subtotal other project(s)	427	378	147	3,534	4,486		
Total Pending and Approved Projects	668	746	529	10,273	12,216		
Remaining RHNA 2023-2031	2,204	907	1,452	(5,147)	(584)		

Source(s): City of Santa Clara, April 2023.



HOUSING ELEMENT

Note(s): All calculations were rounded down. There are likely discrepancies due to rounding down between the row and column totals.

1 Phase I building permit issued 4/18/22 for 311 units; the remaining 192 units are approved.

2 Application expected early 2023.

3 Application expected early 2023.

Sites Inventory Methodology and Assumptions

Default Density Assumptions

The California Government Code states that if a local government has adopted density standards consistent with the population-based criteria set by State law (at least 30 units per acre for Santa Clara), HCD is obligated to accept sites with those density standards (30 units per acre or higher) as appropriate for accommodating the jurisdiction's share of regional housing need for lower-income households. Default density is considered by the State as sufficient to provide market-based incentives for the development of housing for lower-income households.

The Santa Clara General Plan (adopted in 2010) identifies ten Focus Areas appropriate for higher density residential and mixed-use development. A detailed discussion of density assumptions and the affordability level of sites is included below.

Site Suitability and Lot Consolidation

Consistent with Housing Element law related to the suitability of small and large sites, the inventory of lower-income sites is limited to parcels between 0.5 and 10 acres in size. Due to the City's historical parcelization pattern, the inclusion of small sites in the inventory is expected. To adhere to State law and HCD guidance, small sites (under 0.5 acres) are not used to meet the lower-income RHNA. There are 10 available sites included in the inventory with a parcel size under 0.5 acres. All of these are located in the Tasman East Specific Plan area and range between 0.458 and 0.482 acres. Parcels of similar size have been developed with residential within the last housing element cycle in the Tasman East Specific Plan area. While these sites have densities that are appropriate for lower-income RHNA sites and meet the default density standard, they are all credited toward the moderate- and above moderate-income categories. No sites in the inventory are larger than 10 acres. Although many of the parcels identified as sites are adjacent to one another, no lot consolidation is assumed.

Realistic Capacity and Suitability of Non-Vacant Sites

Housing Element law requires jurisdictions to demonstrate that the land inventory is adequate to accommodate that jurisdiction's share of the region's projected growth. Santa Clara has a remaining RHNA of 4,563 units to be achieved through the identification of sites. The City has various residential and mixed-use development opportunities on sites that are currently available, although all sites are non-vacant. All available sites are within Specific Plan areas. Each project shown in Table 13.6-3, demonstrates that the project's actual density was developed higher than the minimum density allowed. Because each Specific Plan has its own distinct land



SANTA CLARA HOUSING ELEMENT

use designations and affordability requirements, realistic capacity for available sites was calculated based on the average of percent above minimum density allowed per Specific Plan of existing and approved projects (see Table 13.6-3). Percent above the minimum density allowed was used to remain conservative, realistic, and to account for the wide range of Specific Plan densities allowed (from 20 du/ac in Lawrence Station to 350 du/ac maximum in Tasman East). In every case, claiming realistic capacity using the methodology and assumptions defined here yields total unit counts below the maximum density allowed.

State law also includes specific criteria for assessment of the realistic availability of non-vacant sites during the planning period. If non-vacant sites accommodate half or more of the lower-income need, the Housing Element must present “substantial evidence” that the existing use does not constitute an impediment to additional residential use on the site. Due to the built-out nature of Santa Clara, most sites have existing uses. Non-vacant sites included in the inventory have been selected using the following criteria, which are indicated for each non-vacant site in the detailed sites matrix included in Appendix B. A site identified under criterion 1, 2, or 3 requires no further factors. These criteria have been applied to all available sites (this does not include pending project sites).

- 1) Interest: Developer interest or property owner interest to redevelop the site.
- 2) Vacant Lots: Completely vacant lot.
- 3) City or County Ownership: Property is under City or County ownership, with defined intent to redevelop the site with a residential use at a higher density.
- 4) Redevelopment Trend for Existing Use: Uses that are similar to those that have been previously recycled in Santa Clara (e.g., industrial uses, small shopping centers, offices, stand-alone restaurants and retail uses, properties zoned exclusively for residential use that are currently developed well below the zoning capacity).
- 5) Participation in Specific Plan planning process: Property is located within a defined Specific Plan area and/or the property owner participated in the Specific Plan planning process.
- 6) Underutilized Residential Site. Property is zoned for residential use at a higher density than existing use or property is zoned residential and existing use is non-conforming.
- 7) Building/Land Value: Property improvement value is less than half of the land value (ratio is less than 1.00), indicating substantial underinvestment and the ability of a property owner to achieve financial gain through redevelopment.
- 8) Year: Structure was built prior to 1985 (and therefore over 36 years of age) but is not a designated or eligible historic structure, indicating that properties may need substantial improvements or replacement for maximum financial return.

- 9) Lease: Site has no existing tenant lease(s) or lease(s) expires or lease(s) have buy-out clauses within in 6th cycle planning period (where known).

Development Trends and Realistic Capacity

Current development trends in the Specific Plan areas show that a range of medium to high residential density is feasible, realistic, and appropriate to accommodate housing for all income levels. Since the City's adoption of the Lawrence Station Area Plan and Tasman East Specific Plan, Santa Clara has seen an uptick in development and development interest. The following projects, shown in Table 13.6-3, show examples of high-density development coming in well above the minimum densities.

Table 13.6-3 High-Density Projects in Specific Plan Areas

<i>Project Name</i>	<i>Zoning</i>	<i>Density Range (du/ac)</i>	<i>Acres</i>	<i># of Units</i>	<i>Actual Density</i>	<i>Status</i>	<i>Included in 6th Cycle</i>	<i>% above allowed minimum density</i>
Tasman East Focus Area Specific Plan								
TE 2233 Calle Del Mundo (St. Anton) ¹	Transit Neighborhood	100 to 350	1.22	196	160	Under Construction	Yes	160%
TE 2200 Calle De Luna (Holland)	Transit Neighborhood	100 to 350	2.44	579	237	Approved	Yes	237%
TE 2300 Calle De Luna (Related)	Transit Neighborhood	100 to 350	5.02	700	139	Under Construction	Yes	139%
TE 2343 Calle Del Mundo (Summerhill)	Transit Neighborhood	100 to 350	2.63	347	131	Approved	Yes	131%
TE 2302/2310 Calle Del Mundo (Ensemble) ¹	Transit Neighborhood	60 to 350	0.77	151	196	Approved	Yes	327%
TE 2354 Calle Del Mundo (Ensemble)	Transit Neighborhood	60 to 350	0.50	89	178	Approved	Yes	297%
Patrick Henry Drive Focus Area Specific Plan								



SANTA CLARA
HOUSING ELEMENT

<i>Project Name</i>	<i>Zoning</i>	<i>Density Range (du/ac)</i>	<i>Acres</i>	<i># of Units</i>	<i>Actual Density</i>	<i>Status</i>	<i>Included in 6th Cycle</i>	<i>% above allowed minimum density</i>
3000 Patrick Henry Drive (Summerhill)	Urban Village	100 to 149	2.518	307	122	Approved	Yes	122%
2901 Patrick Henry Drive (Sares Regis)	Urban Village	100 to 149	6.497	800	123	Pre-Application	Yes	123%
4590 Patrick Henry Drive (Walnut Hill)	Urban Village	100 to 149	2.795	413	122	Pre-Application	Yes	148%
Lawrence Station Area Plan								
2904 Corvin Drive (Corvin Supportive Housing)	LSAP/Very High Density Residential	51 to 100	1.08	145	134	Building Permit final June 2022	No	263%
3560 Rambla Pl (Summerhill)	LSAP/Very High Density Residential	51 to 100	2.49	251	100	Building Permit final Sept 2021	No	196%
3578 Rambla Pl (Summerhill)	LSAP/Very High Density Residential	51 to 100	1.72	126	73	Building Permit final March 2022	No	143%
3517 Ryder St (Westlake Urban)	LSAP/Very High Density Residential	51 to 100	3.92	328	83	Approved	Yes	163%

Source(s): City of Santa Clara, 2022.

Note: 1. The TE 2233 Calle Del Mundo (St. Anton) and TE 2302/2310 Calle Del Mundo (Ensemble) projects are 100% affordable

Realistic Capacity Calculations

These sites show sufficient capacity to meet and exceed the identified housing need. A detailed listing of sites, consistent with State law, is included in the document Appendix B.

Consistent with HCD Guidelines, the following methodology for determining realistic capacity on each identified site must account for land use controls and site improvements.

- Lower-density residential sites: realistic capacity for sites in land use designations that allow less than 30 units per acre is calculated at minimum density allowed. This includes the Medium Density Residential (20-36 du/ac) designation in the Lawrence Station Area Plan. The identified sites in these designations are non-vacant. Minimum density was used to calculate a more conservative realistic capacity.
- El Camino Real rezoning sites: As part of the Zoning Ordinance Update process, sites along the El Camino Real corridor that have a Regional Mixed Use General Plan land use designation (37-50 du/ac) will be rezoned from their current commercial zoning to the new Regional Mixed Use (RMU) zoning district. These sites are non-vacant, and the minimum density was used to calculate realistic capacity.
- Specific Plan sites: All sites within adopted Specific Plan areas have been thoroughly vetted through City-led and community-focused planning processes. Specific Plan areas represent locations with opportunities for more intense development with limited impact on existing neighborhoods, per the City's 2010-2035 General Plan. All available sites within the Specific Plan areas have been rezoned to reflect the uses and densities set forth in the respective Specific Plans. These sites were selected for inclusion in this inventory due to their location, existing zoning that accommodate and incentivize higher densities, and potential for housing production.

The following Specific Plan sites were excluded from the sites inventory because it was determined that they are unlikely to redevelop with residential uses within the timeframe of the Housing Element:

- Lawrence Station Area Plan
 - 2960 – 3030 Corvin Drive (data centers)
 - 3350 – 3420 Central Expressway (Gemini Rosemont industrial campus)
- Tasman East Specific Plan
 - 5101 Lafayette Street (data center)
- Patrick Henry Drive Specific Plan
 - 4650 and 4700 Old Ironsides Drive (data centers)
 - 4600 Patrick Henry Drive (Drawbridge parcel)

Each project shown in Table 13.6-3, demonstrates that the project's actual density was developed higher than the minimum density allowed. Because each Specific Plan has its own distinct land use designations and affordability requirements, realistic capacity for available sites within the Lawrence Station Area Plan and Tasman East Focus Area



SANTA CLARA HOUSING ELEMENT

Specific Plan were calculated based on the average of percent above minimum density allowed per Specific Plan of existing and approved projects (see Table 13.6-3).. In every case, claiming realistic capacity using the methodology and assumptions defined here yields total unit counts below the maximum density allowed.

The following averages were used to calculate realistic capacity, per Specific Plan area:

- Lawrence Station Area Plan: minimum densities x 191%
 - The minimum density for the two remaining LSAP parcels designated Very High Density Residential (VHDR) is 51 du/ac. 191% of 51 du/ac = 97.4 du/ac. The four approved/under construction LSAP projects that are designated VHDR have actual densities ranging from 73 to 134 du/ac, with an average of 97.5 du/ac.
- Tasman East Focus Area Specific Plan: minimum densities x 215%
 - The minimum density for the remaining Tasman East parcels designated Transit Neighborhood (TN) is either 60 du/ac (13 parcels < 1 ac) or 100 du/ac (one parcel ≥ 1 ac). 215% of 60 du/ac = 129 du/ac and 215% of 100 du/ac = 215 du/ac. The six approved/under construction Tasman East projects, including two 100% affordable projects, that are designated TN have actual densities that range from 131 to 237 du/ac.
- Patrick Henry Focus Area Specific Plan: maximum densities x 72%
 - Based on Specific Plan assumptions about buildout phasing was used as there is currently only one approved project in the Patrick Henry Drive Specific Plan area.
 - Specific Plan Approved Residential Development Capacity: between 10,300 and 12,000 units (Average 11,150 units)
 - Specific Plan Buildout Estimate: 8,073 units (72% of 11,150)
 - Phase 1 (2025-2029): 5,839 units
 - Phase 2 (2030-2034): 2,234 units
 - Housing Element (2023-2031): 5,865 units (1,520 pending/approved + 4,345 sites)
 - Ten remaining Patrick Henry Drive sites have maximum densities of 149 du/ac, one site has a maximum density of 250 du/ac, and one site has a maximum density of 99 du/ac.

- 72% of 149 du/ac = 107 du/ac. One approved Patrick Henry Drive project has a density of 122 du/ac (Summerhill). There are pre-applications on file for projects on two other sites that have proposed densities of 123 du/ac (Sares Regis) and 148 du/ac (Walnut Hill).

For the Lawrence Station area, the realistic capacity of the remaining sites is a total of 395 units (144 VLI, 106 LI, 126 Mod, and 19 Above Mod). See Table 13.6-5. The buildout horizon for these units falls within the 6th cycle.

For the Tasman East Specific Plan area, the realistic capacity of the remaining sites not tied to approved or proposed projects is 1,123 units, per Table 13.6-5. When combined with the number of units already proposed or on file, the total number of units is 989 units greater than the total number of units approved as a part of the adoption of the Tasman East Specific Plan. The City is currently processing a Specific Plan amendment to increase the capacity of the plan area by an additional 1,500 units. That effort is recognized as Action 19, Tasman East Specific Plan Amendment in the Housing Plan. The buildout horizon for these units is 2030.

For the Patrick Henry Drive Plan area, sites totaling 4,345 units are available during the planning period. Additionally, 1,520 units have either been proposed or approved in the Patrick Henry Drive area.

Given the fact that housing in all the City's Specific Plan areas is allowed by right, the primary impediment to development of housing, according to feedback received from developers at stakeholder meetings, is the economic environment (construction and land costs) and the ability for developers to obtain financing and/or state funding (for affordable projects). Another potentially significant impediment is the provision of infrastructure, which has been addressed in the Tasman East and Patrick Henry Drive plan areas through the creation and administration of infrastructure fees for the respective areas. For the few remaining projects not yet built in the Lawrence Station Area, required infrastructure improvements will be addressed through the development review process.



Densities Appropriate for Accommodating Lower-Income Housing

The capacity of sites that allow development densities of at least 30 units per acre are credited toward the lower-income RHNA based on State law. The California Government Code states that if a local government has adopted density standards consistent with the population-based criteria set by State law (at least 30 units per acre for Santa Clara), HCD is obligated to accept sites with those density standards (30 units per acre or higher) as appropriate for accommodating the jurisdiction's share of regional housing need for lower-income households. All available sites included in this inventory, except for three sites zoned Medium Density Residential (20-36 du/ac), have density standards of 30 units per acre or higher. Located within the Lawrence Station Area Plan, the three sites zoned Medium Density Residential (20 – 36 du/ac) are credited toward the moderate- and above-moderate income categories.

To create a more conservative and realistic estimate of affordability for Santa Clara, available sites that qualify for one hundred percent affordable units based on the allowed density are split between the very low-, low-, and moderate-income categories 40 percent, 30 percent, and 30 percent, respectively, which roughly follows the RHNA split for those same affordability categories.

Table 13.6-4 Specific Plan Land Use Designations

<i>Land Use Designation</i>	<i>Min./Max. Density</i>	<i>Meets Default Density</i>	<i>Number of Parcels Included in 6th Cycle</i>	<i>Total Acreage of Available Sites</i>
Tasman East Focus Area Specific Plan				
Transit Neighborhood (parcels less than 1 acre)	60 to 350	Yes	14	8.033
Transit Neighborhood (parcels equal to or greater than 1 acre)	100 to 350	Yes	1	1.026
<i>Tasman East Specific Plan Subtotal</i>			15	9.059
Patrick Henry Drive Focus Area Specific Plan				
Very High Density Residential	51 to 99	Yes	1	3.8
Village Residential	60 to 149	Yes	1 ¹	9.062
High Density Flex	60 to 149	Yes	4	9.568
Urban Village	100 to 149	Yes	5	12.986
Urban Center	120 to 250	Yes	1	3.821
<i>Patrick Henry Drive Specific Plan Subtotal</i>			12	39.238

<i>Land Use Designation</i>	<i>Min./Max. Density</i>	<i>Meets Default Density</i>	<i>Number of Parcels Included in 6th Cycle</i>	<i>Total Acreage of Available Sites</i>
Lawrence Station Area Plan				
Low Density Residential	8 to 19	No	0	0
Medium Density Residential	20 to 36	No	3	1.993
High Density Residential	37 to 50	Yes	0	0
Very High Density Residential	51 to 100	Yes	2	3.67
<i>Lawrence Station Area Plan Subtotal</i>			5	5.663

Source(s): Patrick Henry Drive Specific Plan, March 2022. Lawrence Station Area Plan, Neighborhood Transit-Oriented Development Plan, Nov. 2016. Tasman East Focus Area Specific Plan, Nov. 2020.

Note: 1. The Patrick Henry Drive site designated Village Residential includes 26 parcels for each condominium unit and an approximately 6.8-acre common area parcel (shared parking/circulation).

Re-use of Sites

AB 1397 (2017) requires that specific parameters be placed on sites that were used in previous Housing Element planning cycles but did not develop and are identified in the current Housing Element to meet the lower-income RHNA. However, as noted in HCD guidance documents, due to updates in the prior planning period to the General Plan or other planning activities, such as the creation of a specific plan, some sites previously identified in the Housing Element may have been rezoned during intervening years to allow a higher density, thereby increasing the potential housing capacity of the site. Because the zoning characteristics of such a site have changed, that site can be considered a new site for the purposes of the housing element inventory.

All sites, apart from several of the El Camino Real Rezoning sites, in this Housing Element are Specific Plan parcels, including some previously identified in the fifth cycle. Parcels identified in the fifth cycle subsequently rezoned to a higher density through their respective Specific Plan processes were not rezoned to accommodate a shortfall; rather, the rezoning was conducted to implement General Plan policy. Thus, no sites, except for those El Camino Real rezoning sites noted in Appendix B, are subject to the reuse provisions of AB 1397 (2017).

For sites that are subject to the reuse provisions of AB 1397 (2017), the Zoning Ordinance update (Chapter 2 Housing Plan Action 9) will include a provision that any nonvacant site in the 6th Cycle Housing Element Sites Inventory that was identified in a previous (i.e., 5th or 4th Cycle) Housing Element would need to provide a minimum of 20 percent of the units affordable to lower income households in order to be approved by right.



No Net Loss Provision

Government Code Section 65863 stipulates that a jurisdiction must ensure that its Housing Element inventory can accommodate its share of the RHNA by income level throughout the 2023 to 2031 planning period. If a jurisdiction approves a housing project at a lower density or with fewer units by income category than identified in the Housing Element, it must quantify at the time of approval the remaining unmet housing need at each income level and determine whether there is sufficient capacity to meet that need. If not, the city must “identify and make available” additional adequate sites to accommodate the jurisdiction’s share of housing need by income level within 180 days of approving the reduced-density project. This provision is commonly referred to as the “no net loss” provision of Housing Element law.

Site Selection

The Housing Element sites inventory, in addition to the list of pending and approved projects, includes accessory dwelling unit (ADU) projections, underutilized sites within Specific Plan areas zoned for high-density residential and mixed-use development, and the El Camino Real rezoning sites. These latter two categories have been used to demonstrate that the RHNA for the extremely low-, very low-, low- and moderate-income categories can be accommodated during the planning period. As the discussion below concludes, the sites have no identified constraints that would prevent development or reuse during the Housing Element period. Table 13.6-5 summarizes the sites inventory.

Table 13.6-5 Sites to Meet the RHNA

<i>Site/Credit Type</i>	<i>Affordability Category</i>				<i>Total Capacity</i>
	<i>Very Low [0-50% AMI]</i>	<i>Low [50-80% AMI]</i>	<i>Moderate [80-120% AMI]</i>	<i>Above Moderate [above 120% AMI]</i>	
RHNA	2,872	1,653	1,981	5,126	11,632
Pending and Approved Projects	668	746	512	10,218	12,144
ADU Projection	118	118	118	39	393
Available Specific Plan Sites	2,187	1,622	1,944	314	6,067
<i>Tasman East Focus Area Specific Plan</i>	<i>214</i>	<i>156</i>	<i>458</i>	<i>295</i>	<i>1,123</i>
<i>Patrick Henry Drive Focus Area Specific Plan</i>	<i>1,747</i>	<i>1,299</i>	<i>1,299</i>	-	<i>4,345</i>
<i>Lawrence Station Area Plan</i>	<i>144</i>	<i>106</i>	<i>126</i>	<i>19</i>	<i>395</i>
El Camino Real Rezoning Sites	497	378	366	-	1,242
Total	3,388	2,803	2,879	10,571	19,642

Site/Credit Type	Affordability Category				Total Capacity
	Very Low [0-50% AMI]	Low [50-80% AMI]	Moderate [80-120% AMI]	Above Moderate [above 120% AMI]	
RHNA	2,872	1,653	1,981	5,126	11,632
Surplus	18%	70%	45%	106%	69%

Source(s): Final Regional Housing Needs Allocation (RHNA) Plan: San Francisco Bay Area, 2023-2031, Updated March 2022. Technical Assistance for Local Planning, Housing – Using ADUs to Satisfy RHNA, Technical Memo, March 2022. Patrick Henry Drive Specific Plan, March 2022. Lawrence Station Area Plan, Neighborhood Transit-Oriented Development Plan, Nov. 2016. Tasman East Focus Area Specific Plan, Nov. 2020.

Note(s): AMI = Area Median Income

ADU Projection

Since 2017, the State legislature has passed a series of laws that significantly increase the potential for the development of ADUs and Junior ADUs (JADUs) by removing development barriers, allowing ADUs through ministerial permits, and requiring jurisdictions to include programs in their housing element that incentivize ADU development. Interest in constructing ADUs is high in Santa Clara and continues to grow. In 2018, the City issued 21 ADU building permits. In 2019, the number increased to 51 annual building permits, with similar numbers in 2020 (45 ADU building permits) and 2021 (53 ADU building permits), then increasing in 2022 to 76 ADU building permits. This represents a 262 percent increase in ADU production in Santa Clara between 2018 and 2022. The City estimates that interest will continue to increase over the next few years, given the many single-family neighborhoods citywide that create capacity for additional ADUs. As of June 2022, 53 percent (or 16,103 parcels) of total parcels were zoned for single-family housing, totaling 2,504 acres. ADUs are permitted on single-family, multi-family, and mixed-use lots, including R1, R2, and R3 zone districts, which represent a significant number of lots in Santa Clara.

As an incentive to ADU production, the City does not charge a Planning fee for review/processing ADU requests. Also, State law allows jurisdictions to charge impact fees on ADUs over 750 square feet, but the City of Santa Clara does not. The City has also exempted ADUs/JADUs from providing parking (JADUs that convert a garage space/s are required to provide replacement parking for the primary dwelling).

The slight dip in ADU production in 2020 may be due to the COVID-19 pandemic and other events of 2020. In 2022, the City had the highest number of ADU building permits to date, which is likely more representative of ADU production moving forward based on ADU trends in Santa Clara, new and pending favorable ADU legislation that created new incentives and streamlined processes to build ADUs, and the pent-up demand for additional housing in the Bay Area.



SANTA CLARA HOUSING ELEMENT

While it is impossible to predict with certainty the exact number of ADUs that will be developed during the planning period (2023-2031), the City conservatively estimates:

- An average of 49.2 ADUs per year will be constructed throughout the planning period. This reflects the average number of building permits issued for ADUs between 2018 and 2022. Given the anticipated increase in ADUs over the near term, this is a conservative estimate.
- A total of 393 ADUs can be predicted to be constructed during the planning period.

The affordability assumptions for ADU projections are based on ABAG's ADU affordability analysis pre-certified by HCD¹.

Available Specific Plan Sites

Plan Bay Area 2050 Growth Geographies

After nearly four years of technical analysis and deep engagement with Bay Area residents and partners, the Metropolitan Transportation Commission (MTC) and ABAG jointly adopted Plan Bay Area 2050 in October 2021. Plan Bay Area 2050 was developed in collaboration with Bay Area residents, partner agencies, and nonprofit organizations. Thirty-five strategies make up the heart of the plan to improve housing, the economy, transportation, and the environment across the Bay Area's nine counties.

Throughout Plan Bay Area 2050, Growth Geographies are geographic areas used to guide where future growth in housing and jobs would be focused under the plan's strategies over the next 30 years. These geographies are identified for growth either by local jurisdictions or because of their proximity to transit or access to opportunity.

All sites included in this Housing Element are considered Priority Development Areas (PDAs), defined as areas generally near existing job centers or frequent transit that are locally identified (i.e., identified by towns, cities, or counties) for housing and job growth.

2010-2035 General Plan Focus Areas, Focus Area Plans, and Related Planning Efforts

In 2010, the City of Santa Clara adopted its comprehensive 2010-2035 General Plan, which included identification of nine focus areas throughout the City, listed in Table 13.6-6. These areas were chosen for their potential to significantly define Santa Clara's identity as a place in transition from a suburb to a regional economic center. The opportunity to develop at a higher density near transit is central to this new identity.

¹ ABAG estimates an affordability breakdown of ADUs as follows: 30% very low-income, 30% low-income, 30% moderate-income, and 10% above moderate-income. Technical Assistance for Local Planning, Housing – Using ADUs to Satisfy RHNA, Technical Memo, March 2022.

A comprehensive plan, such as a specific plan is a required prerequisite for new residential development within a focus area. The purpose of these plans and the prerequisite requirements ensure that new neighborhoods are self-sufficient, with easy access to retail, services, and public amenities. Specific Plans also ensure that adequate public services and facilities are provided in tandem with new development. In 2014, the City initiated updates to the Housing and Land Use Elements that identify and require future development to be comprehensively planned through the preparation of Specific Plans within the Lawrence Station and Tasman East Focus Areas.

Of the nine focus areas identified in the 2010-2035 General Plan, four have resulted in Specific Plans, three of which have been adopted. The Freedom Circle Future Focus Area was added to the General Plan in June 2022, while preparation of this sixth cycle Housing Element was well underway. A specific plan has not been drafted or adopted for this future focus area, and therefore the future focus area, with the exception of the Greystar site that had its own approved General Plan Amendment and Rezoning to allow residential development, was not included in the sites inventory. However, properties within that planning area could become available during the planning period if a specific plan were adopted, helping to guard against the loss of affordable housing capacity.

Table 13.6-6 2010-2035 General Plan Focus Areas

<i>2010-2035 General Plan Focus Area</i>	<i>Related Planning Effort</i>	<i>Status</i>
Existing		
Downtown Focus Area	Santa Clara Downtown Precise Plan	Draft, Nov. 2022
Santa Clara Station Focus Area	None	
Stevens Creek Boulevard Focus Area	None	
El Camino Real Focus Area	El Camino Real Specific Plan	Draft, May 2021
Lawrence Station Focus Area	Lawrence Station Area Plan	Adopted, Nov. 2016
Tasman East Focus Area	Tasman East Focus Area Specific Plan	Adopted, Nov. 2018; Revised, Nov. 2020
Great America Parkway Focus Area	Patrick Henry Drive Focus Area Specific Plan	Adopted, Mar. 2022
Freedom Circle Focus Area	Freedom Circle Focus Area Plan	Adopted, June 2022
Future		
Central Expressway Focus Area	None	
De La Cruz Focus Area	None	

Source(s): City of Santa Clara 2010-2035 General Plan, Nov. 2010. Patrick Henry Drive Specific Plan, March 2022. Lawrence Station Area Plan, Neighborhood Transit-Oriented Development Plan, Nov. 2016. Tasman East Focus Area Specific Plan, Nov. 2020.

Mixed-Use Developments



SANTA CLARA HOUSING ELEMENT

Although opportunities for residential and mixed-use development exist throughout Santa Clara based on existing General Plan land use policy and implementing zoning, along major corridors such as along El Camino Real, the City has focused the sites inventory in areas where development of residential uses is most likely to occur within the Housing Element planning period. This is due to development standards allowing very high densities, developer interest in residential development within Specific Plan areas, site size and location (near transit, major corridors, and highways), and recent development trends in the immediate and surrounding areas. The inclusion of nonresidential uses within mixed-use developments complements a transit-oriented neighborhood and will not affect the potential capacity on site because all available sites have minimum density requirements.

Most parcels included in this sixth cycle sites inventory have zoning that allows nonresidential uses in the form of mixed-use developments. Only one land use designation/zone district allows stand-alone nonresidential development.² This land use policy illustrates the City's commitment to incentivizing mixed-use districts and higher-density, transit-oriented residential development that addresses many goals: meeting the region's housing needs, encouraging housing near employment centers, increasing transit usage, and reducing greenhouse gas emissions.

Specific Plans

A considerable portion of Santa Clara is designated for specific plan development. The City has three approved Specific Plans with a significant number of sites and residential development capacity remaining. Combined, the sites identified in the Lawrence Station, Tasman East, and Patrick Henry Drive Specific Plan areas have enough capacity to satisfy the outstanding RHNA (i.e., the remaining RHNA after pending and proposed projects, and ADUs). The Specific Plan areas provide opportunities for development of market-rate and affordable housing. Development types authorized by the approved Specific Plans include multi-unit and mixed-use development. None of the listed Specific Plan areas have any site restrictions or governmental constraints that would impede development. Table 13.6-4 provides an overview of the City's Specific Plan densities. Further detail is provided in the following sections.

The Specific Plan sites have a high level of certainty to develop given that:

- Through the adoption and implementation of each City-initiated Specific Plan, all parcels within each area have been re-zoned to accommodate high density residential development.
- Specific parameters for densities, uses, development standards, and minimum affordability requirements have already been established.

² Only one land use designation/zone district, in the Patrick Henry Drive Specific Plan area, allows stand-alone nonresidential development. See section "Specific Plan Sites" for additional detail.

- No recent, significant enhancements have been made to these sites.
- Infrastructure is either in place, or planned for, in support of proposed land uses, addressing transportation, wet utilities, solid waste management, and energy services and systems. For both the Tasman East and Patrick Henry Drive Specific Plans, an infrastructure fee has been created to apportion costs between developers in the Plan Areas.
- Redevelopment of nonresidential uses into high density residential and mixed-use has already occurred, illustrating developer and property owner interest and the financial feasibility of site redevelopment.
- All land use designations within the Specific Plan areas have established minimum densities.
- No land use designation in the Tasman East Specific Plan or Lawrence Station Area Plan areas allows for stand-alone nonresidential uses.
- The City has financial resources available to support the development of affordable housing.

Affordability Requirements

- **Tasman East Focus Area Specific Plan.** All development in the Tasman East Focus Area Specific Plan area adheres to the affordable housing requirements referenced in Section 17.40.115 of the Santa Clara City Code. For-sale and rental affordable units shall be maintained as affordable housing for not less than 20 years applicable to for-sale units and 55 years applicable to rental units. Section 17.40.115 requires that 12% of total housing units be affordable.
- **Patrick Henry Focus Area Specific Plan.** In recognition of the conversion of employment uses to residential land, the Patrick Henry Drive Specific Plan calls for a deeper level of affordability than is required by the Citywide Affordable Housing ordinance. Affordable housing requirements for the Patrick Henry Drive Specific Plan are referenced in Section 17.40.116 of the Santa Clara City Code. Developments will provide 15 percent affordable units split equally between three affordability levels of 50 percent, 80 percent, and 120 percent of Area Median Income (AMI).
- **Lawrence Station Area Plan.** Projects must comply with the City's inclusionary ordinance in the Lawrence Station Area Plan area. There are some projects already developed that did not require affordable units, because the Lawrence Station Area Plan was adopted before the City's inclusionary ordinance.
- **Citywide Affordable Housing Requirements.** Effective February 2018, the City's inclusionary housing ordinance (Title 17, Chapter 17.40 Citywide Affordable Housing

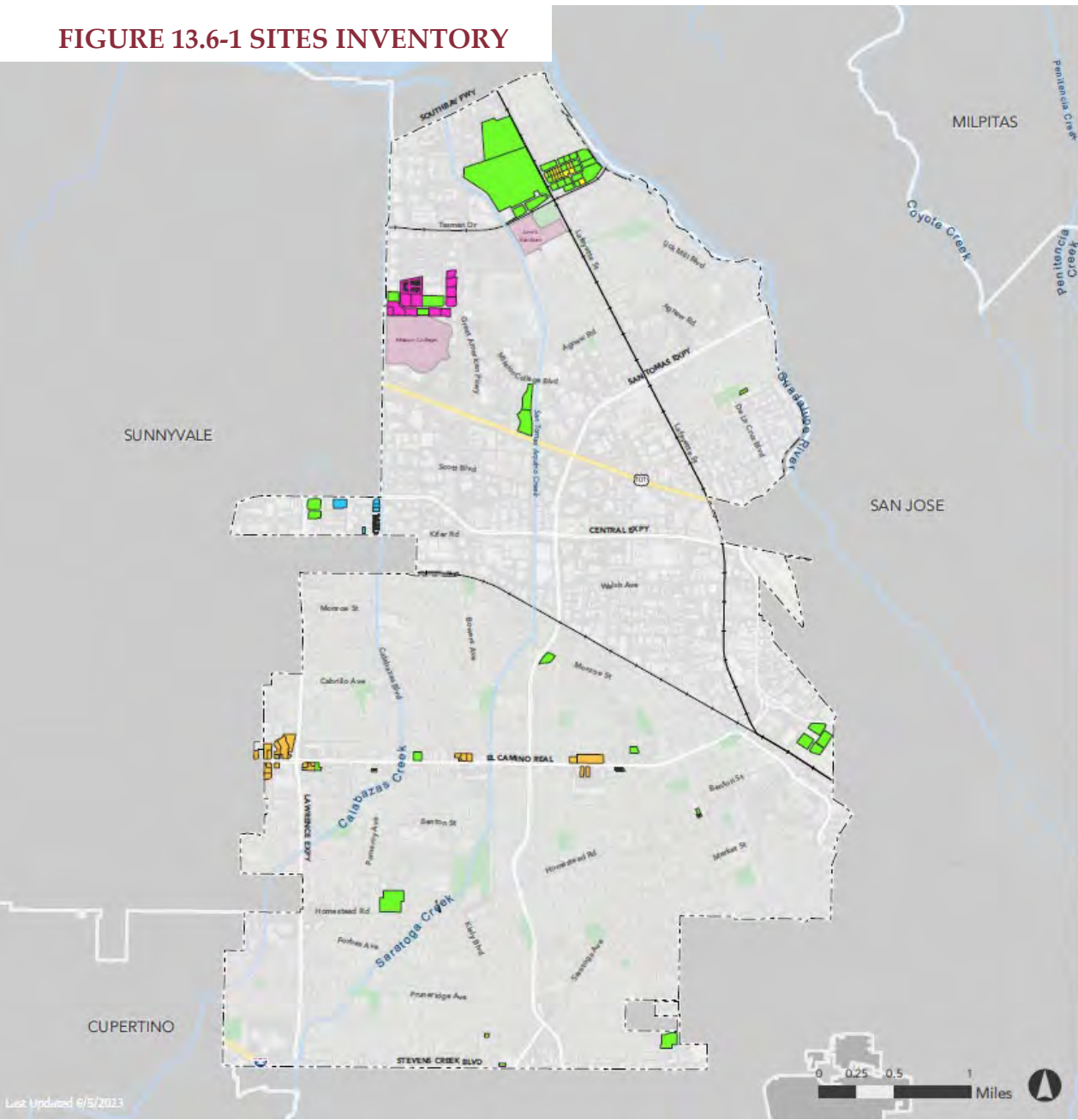


SANTA CLARA HOUSING ELEMENT

Requirements) requires residential ownership and rental projects of ten (10) or more units to provide at least fifteen percent (15%) of the units at affordable housing costs for extremely low, very low, low and moderate income households, or some combination of those income categories. A developer shall select income categories for each of the affordable units such that the average income of purchasers will not exceed 100 percent of AMI.

- **Affordability by Design.** Additionally, affordability by design in Specific Plan areas is encouraged, with the development of smaller units targeted for those who desire a walkable, urban lifestyle.
- **General Plan.** The General Plan also outlines other Affordable Housing incentives including encouraging and supporting public and private efforts to provide affordable housing, density bonuses and other financial incentives for housing projects that include affordable and/or senior housing units, consistent with State law requirements.

FIGURE 13.6-1 SITES INVENTORY



City of Santa Clara
Sites Inventory Map

Legend

- Basemap Features**
- Santa Clara City Limits
 - Major Destinations
 - Parks and Open Space
 - Rivers and Waterbodies
 - Surrounding Cities
 - Unincorporated Santa Clara County

- Sites Inventory (by Type)**
- Approved or Pending Projects
 - Lawrence Station Area Plan Sites
 - Tasman East Specific Plan Sites
 - Partick Henry Drive Specific Plan Sites
 - Sites to be Rezoned*

Note(s): In conformance with the current General Plan (2010), most recently amended in 2022.

Source(s): Esri, County of Santa Clara OpenData 2023, City of Santa Clara 2023.





**SANTA CLARA
HOUSING ELEMENT**

Tasman East Focus Area Specific Plan

Adopted in November 2018, the Tasman East Specific Plan regulates the development of 46.1 acres of land located near the City's northern boundary. Approved for the development of 4,500 units, full buildout of the area will likely occur by 2038. The Specific Plan area includes 34 parcels situated east of Lafayette Street, north of Tasman Drive, west of the Guadalupe River Trail, and south of the Santa Clara Tennis and Golf Club property. Each parcel of one acre or more in size is required to accommodate a minimum density of 100 dwelling units per acre. Each parcel of less than one acre in size is required to achieve a minimum density of 60 dwelling units per acre. There are no density maximums for individual parcels.

Approximately half of the Tasman East Specific Plan's parcels have either been re-developed or have projects with active applications or are already under construction. This area is transitioning from a mix of light industrial and business park uses to a high density residential neighborhood with a mix of uses at the ground floor.

Eleven projects within the Specific Plan area were counted toward the sixth cycle RHNA as approved, proposed, or under construction. Fifteen remaining parcels, on approximately 8 acres, have been identified as sites and remain to be re-developed. Not Viable sites were identified and excluded based on existing uses. Assuming realistic capacity, on a parcel-level, the Tasman East Focus Area Specific Plan sites identified in this Housing Element can accommodate a total of 1,123 units (see Table 13.6-5). Appendix B provides a detailed list of all sites, including assumed affordability.

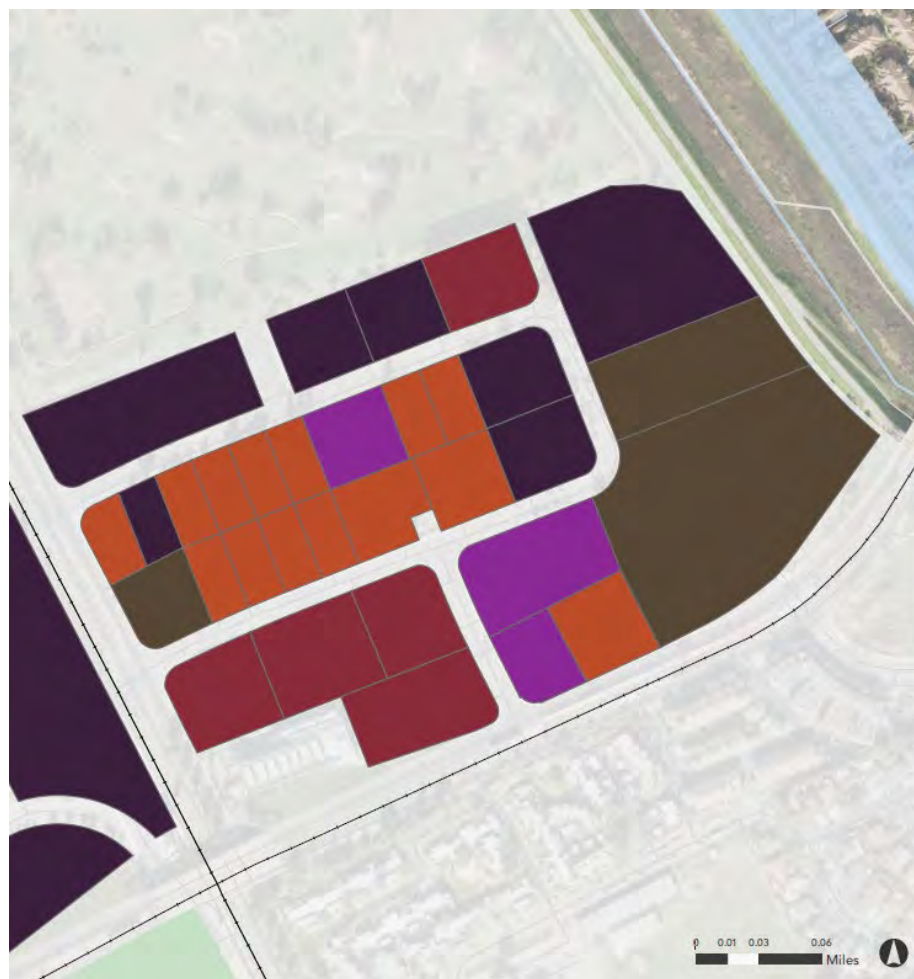
FIGURE 13.6-2 TASMAN EAST LAND USE DIAGRAM





SANTA CLARA HOUSING ELEMENT

FIGURE 13.6-3 TASMAN EAST SITES



City of Santa Clara Tasman East Focus Area Specific Plan Sites

Legend

Basemap Features

- Santa Clara City Limits
- Surrounding Cities
- Major Destinations
- Rivers and Waterbodies
- Parks and Open Space
- Railways

Specific Plan Sites

- Approved
- Approved/Under Construction
- Under Construction
- Proposed
- Available

Sources: Esri, County of Santa Clara OpenData 2022,
City of Santa Clara 2022.



Patrick Henry Drive Focus Area Specific Plan

In March 2022, the City Council approved the Patrick Henry Drive Specific Plan. The planning area encompasses approximately 73.59 acres bounded by Sunnyvale and Calabazas Creek to the west, the southern edge of San Francisco Public Utilities Commission right-of-way to the north, Great America Parkway to the east, and Mission College to the south. As one of the City's first high-density residential neighborhoods, Patrick Henry Drive will add thousands of units to better balance the City's jobs-housing ratio, a share of which will be income restricted to help meet regional and local affordability goals. Several regional destinations and amenities are nearby, including Levi's Stadium, Great America Theme Park, and the Santa Clara Convention Center. The VTA light rail station at Old Ironsides and Tasman Drive is just over one-half mile, or an approximately 10-minute walk, from the center of the Specific Plan area.

The Patrick Henry Drive Specific Plan resulted from a collaborative planning effort involving the City, area property owners, and the Santa Clara community. The plan will create a 73.59-acre high-density, residential neighborhood located near regional destinations, including job-centers, transit, and other amenities. At buildout, the project will accommodate up to 12,000 new residential dwelling units and 310,000 square feet of nonresidential uses, including 200,000 square feet of new neighborhood-serving retail and public facilities, such as libraries and community spaces. New and improved pedestrian and bicycle connections, trails, and parks will link neighborhoods and enhance connections to nearby amenities and recreation destinations. Careful planning will ensure adequate infrastructure and services to support the proposed new development. Targeted residential densities range from a minimum of 51 dwelling units per acre to a maximum of 250 units per acre. These densities will help meet the demand for housing that addresses job and retail growth in the City and region.

Three projects within the Specific Plan area were counted toward the sixth cycle RHNA as approved, proposed, or under construction. Twelve remaining parcels, on approximately 39.24 acres, have been identified as sites and remain to be re-developed. Not Viable sites were identified and excluded based on existing uses. Assuming realistic capacity, on a parcel-level, the Patrick Henry Drive Focus Area Specific Plan sites identified in this Housing Element can accommodate a total of 5,865 units (see Table 13.6-5). Appendix B provides a detailed list of all sites, including assumed affordability.

High Density Flex

Only one land use designation in the Patrick Henry Drive Specific Plan area allows for stand-alone nonresidential uses: High Density Flex. Six parcels are zoned High Density Flex, two of which were excluded because they are small sites and publicly owned utility parcels, owned by the Santa Clara Valley Transportation Authority (VTA) and the City of Santa Clara. APNs 104-04-130 and 104-04-072, respectively.



SANTA CLARA HOUSING ELEMENT

In the event that any of the four High Density Flex sites (totaling 9.6 total acres) develop with nonresidential uses only, the City will quantify at the time of approval the remaining unmet housing need at each income level and per law, identify and make available adequate sites to accommodate the RHNA by income level within 180 days of approving any such reduced-density project.

FIGURE 13.6-4 PATRICK HENRY LAND USE DIAGRAM

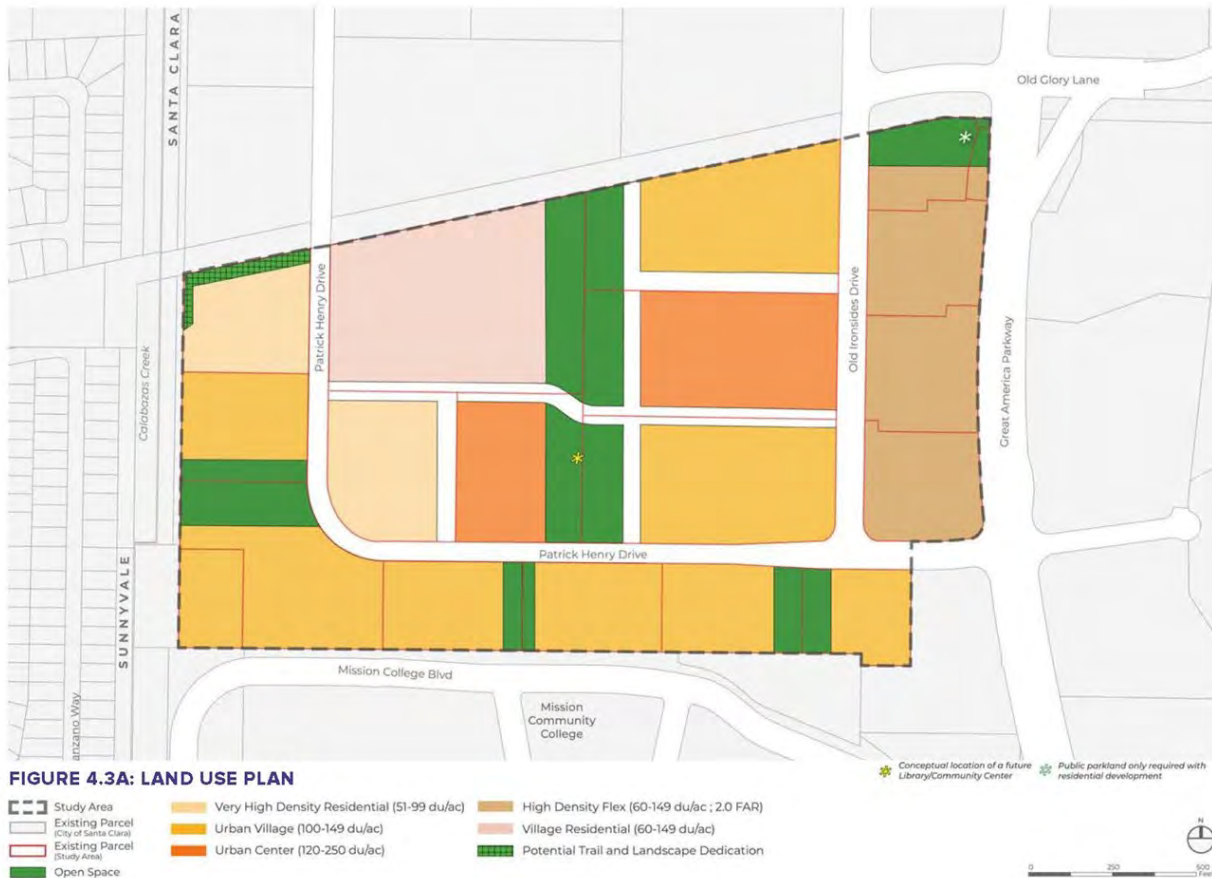
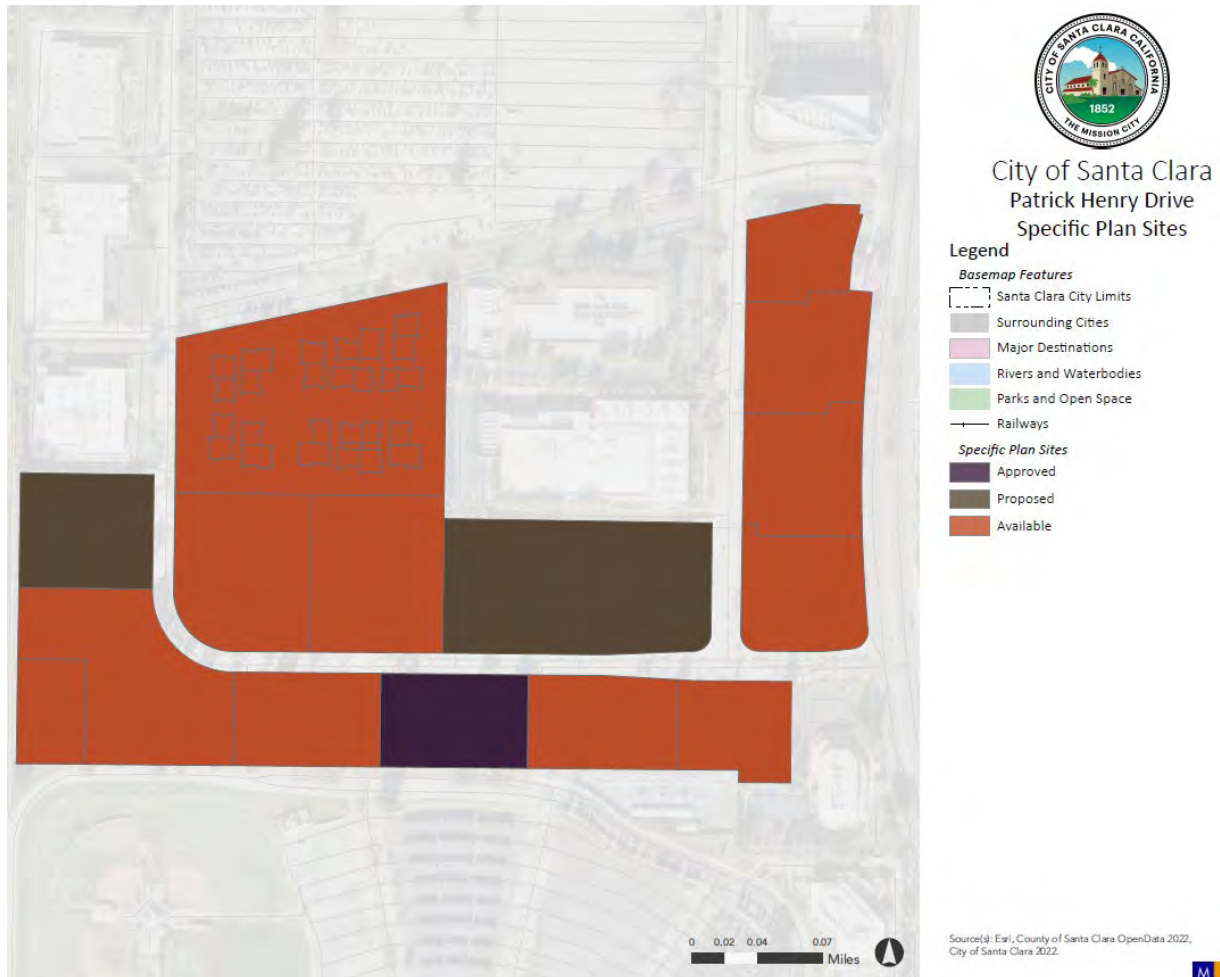


FIGURE 13.6-5 PATRICK HENRY SITES





Lawrence Station Area Plan

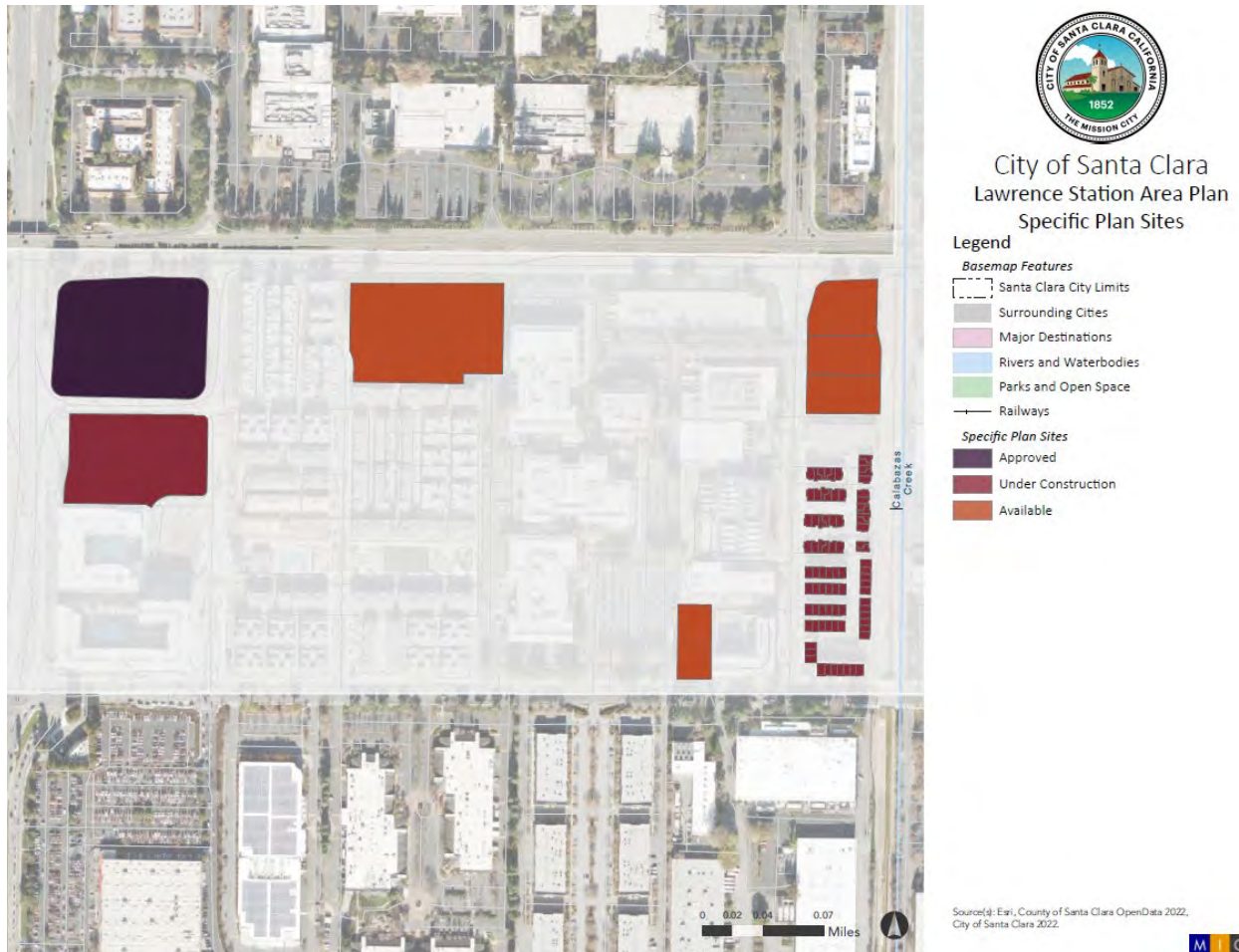
The Santa Clara Lawrence Station Area Plan Area is located northeast of the Lawrence Caltrain Station, bounded by Central Expressway to the north, Kifer Road to the South, Lawrence Expressway to the west, and Calabazas Creek to the east, encompassing approximately 72 acres (65 acres of developable land area excluding existing public right-of-way). Adopted in 2016, the Lawrence Station Area Plan is largely developed and was originally approved for the development of 3,500 units. Residential uses have replaced the areas original uses: one- and two-story buildings, generally occupied by light industrial (including manufacturing and warehousing uses), office, and various other commercial uses.

Four projects within the Specific Plan area were counted toward the sixth cycle RHNA as approved, proposed, or under construction. Five remaining parcels, on approximately 5.7 acres, have been identified as sites and remain to be re-developed. Not Viable sites were identified and excluded based on existing uses. Assuming realistic capacity, on a parcel-level, the Lawrence Station Area Plan sites identified in this Housing Element can accommodate a total of 395 units (see Table 13.6-5). Appendix B provides a detailed list of all sites, including assumed affordability.

FIGURE 13.6-6 LAWRENCE STATION LAND USE DIAGRAM



FIGURE 13.6-7 LAWRENCE STATION SITES





SANTA CLARA HOUSING ELEMENT

Availability of Sites for Housing.....	1
Sites Inventory Methodology and Assumptions.....	7
Site Selection	16

List of Tables

Table 13.6-1 City of Santa Clara RHNA 2023-2031.....	2
Table 13.6-2 Pending and Approved Projects.....	4
Table 13.6-3 High-Density Projects in Specific Plan Areas.....	9
Table 13.6-4 Specific Plan Land Use Designations	14
Table 13.6-5 Sites to Meet the RHNA	16
Table 13.6-6 2010-2035 General Plan Focus Areas.....	19

List of Figures

FIGURE 13.6-1 Sites Inventory	23
FIGURE 13.6-2 Tasman East Land Use Diagram.....	25
FIGURE 13.6-3 Tasman East Sites.....	26
FIGURE 13.6-4 Patrick Henry Land Use Diagram	28
FIGURE 13.6-5 Patrick Henry Sites	28
FIGURE 13.6-6 Lawrence Station Land Use Diagram	30
FIGURE 13.6-7 Lawrence Station Sites.....	31

Chapter 13.7

Housing Element Program Accomplishments

This chapter analyzes program performance for the City of Santa Clara's 2015-2023 Housing Element programs. State law (California Government Code Section 65588[a]) requires each jurisdiction to review its Housing Element as frequently as appropriate and evaluate:

- The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goals
- The effectiveness of the Housing Element in attainment of the community's housing goals and objectives
- Progress in implementation of the Housing Element

This evaluation provides critical information on the extent to which programs have achieved stated objectives and whether these programs continue to be relevant to addressing current and future housing needs in Santa Clara. The evaluation provides the basis for recommended modifications to policies and programs and the establishment of new housing objectives. The Department of Housing and Community Development determined that the Santa Clara 2015-2023 Housing Element was in full compliance with State law. Following adoption in 2015, the City was tasked with following through on the commitments made in the housing programs. The City has analyzed the effectiveness of the 5th cycle Housing Plan actions, policies, and goals and has used this evaluation to inform the revised Housing Plan for the 6th cycle. While the fair housing analysis conducted in Chapter 3 relied upon contemporary data, the retroactive analysis of past program accomplishments depended on data points collected during program actions that, in some cases, did not align directly with the data points collected during the fair housing analysis conducted for the 6th cycle.

Specific attention was given in the evaluation of the cumulative effectiveness of past goals, policies, and related actions in meeting the housing needs of special populations. In cases where data was not available, institutional knowledge and staff interviews were used to provide context for the program evaluation. Generally, the effectiveness of the action was evaluated in terms of the:

- number of individuals served
- cost of the program/action based on the benefit to the individual served
- availability of funding and resources
- efficiency and effectiveness of the program partners and service providers



SANTA CLARA HOUSING ELEMENT

- the ability to satisfy expressed AFFH requirements in the next cycle.

Overall, the programs that targeted households showed that services were provided to a number of special needs households such as the elderly, persons with disabilities, female-headed households, and persons experiencing homelessness. Indirectly, the jurisdiction made efforts to increase affordability via policies supporting varied types and tenures and increase the affordable housing stock that generally improved the availability of housing that variably resulted in serving special needs households. Although no specific data points exist for some of the 5th cycle programs, it is expected that the populations served under many of the direct service actions align with those programs that did collect data, as shown in the matrix below. Overcrowded households were not identified in the 5th cycle as a targeted demographic for specific action, nor was farmworker housing as there are no active farms in the City of Santa Clara and no Agricultural Land Use Designations beyond the allowed use of community or urban gardens. However, during community engagement, an effort was made to identify farmworker populations that could be commuting to other jurisdictions or retired farmworkers that would be eligible for farmworker housing.

Anecdotal and statistically, we know that overcrowding is increasing due to affordability pressures on all households and the most vulnerable special needs populations will require additional attention beyond tenant protections. Therefore, many of the new program goals, policies, and actions are informed not only by the 5th cycle evaluation but the fair housing assessment and community input collected during the authoring of the Housing Element. Further, the City participated in a regional Assessment of Fair Housing process led by Santa Clara County -during the development of this document and facilitated a local homelessness taskforce and outreach process in 2022. Analyzing the cumulative effectiveness of the 5th cycle Housing Plan actions, policies, and goals in conjunction with the additional analyses conducted in this document along with community engagement, has provided clarity and focus on the development of the 6th cycle Housing Plan.

Following the evaluation table, the quantified objective performance is summarized. For the next cycle, 2023-2031 the Actions have been reprioritized and will be reordered based on the updated goals, policies, and the integration of HCD's new Affirmatively Furthering Fair Housing requirements.

5th Cycle Housing Plan

Table 13.7-1: Goals and Policies

Goal A: Create and maintain high-quality, livable, and unique residential neighborhoods and preserve established single-family neighborhoods.

Policy A-1 Maintain and improve the quality of residential neighborhoods, eliminate housing deficiencies and prevent future blight through the encouragement of ongoing maintenance, rehabilitation and conservation of existing housing stock.

Policy A-2 Provide code enforcement support for residential neighborhoods in conformance with City Code and Zoning Ordinance regulations.

Policy A-3 Promote compatibility between neighborhoods while respecting differences in neighborhood character.

Policy A-4 Promote consensus with City Design Guidelines.

Goal B: Manage growth in the City by designating suitable vacant or underutilized sites for new residential development and ensuring compatibility with community goals and existing neighborhoods.

Policy B-1 Disperse affordable housing units throughout the City to avoid a concentration in any one neighborhood.

Policy B-2 Encourage the building of higher density housing on appropriate vacant or underutilized sites.

Policy B-3 Encourage the annual construction of the number of housing units necessary to meet the City's regional housing needs determination through housing finance and reducing development constraints.

Policy B-4 Promote compatibility between neighborhoods while respecting differences in neighborhood character.

Policy B-5 Work towards the mitigation of jobs/housing ratio impacts created by developments with significant employment.

Policy B-6 Encourage higher density residential development in transit-oriented and mixed-use areas where appropriate.

Policy B-7 Encourage a mix of unit types and sizes in new housing development.

Goal C Provide housing within the community for persons of all economic levels, regardless of religion, gender, sexual orientation, marital status, national origin, ancestry, familial status, source of income, or mental or physical disability.

Policy C-1 Construct and preserve affordable housing for lower and moderate-income households through the use of public subsidies, regulatory incentives and flexible development standards.

Policy C-2 Participate in local, regional, State and federal programs that support affordable, transitional, supportive and permanent housing.

Policy C-3 Create opportunities for affordable housing and housing to support special needs populations and extremely low-income households.

Policy C-4 Ensure equitable housing opportunities for all residents.

Goal D Provide an adequate variety of individual choices of housing tenure, type and location, including higher density where possible, especially for low and moderate income and special needs households.

Policy D-1 Promote a variety of housing types, indifferent locations to maintain social and economic diversity in the City.

Policy D-2 Participate in programs that provide support services to residents in need.

Policy D-3 Increase public outreach efforts to inform residents and potential developers of available City housing programs.



SANTA CLARA
HOUSING ELEMENT

Table 13.7-1: Goals and Policies

Policy D-4 Encourage early participation from residents and other stakeholders in development of long-range plans and review of new development proposals.

Policy D-5 Ensure compliance with all State and federal regulations relating to housing opportunities and the prevention of discrimination.

Source(s): City of Santa Clara, 2022

Table 13.7-2: Actions and Objectives

Action	Program Title & Objective	Achievements/Results	Evaluation	Recommendation
Action 1	<u>Neighborhood Conservation Improvement Program (NCIP)</u> . Assist approximately 424 homeowners with rehabilitation assistance, including approximately 160 extremely low-income households (ELI). Continue to conduct inspections of homes on a request and complaint basis, providing referrals to the NCIP and assistance where possible to correct identified issues and problems. Policy A-1	2022: The City increased funding for smaller grant funded projects that address accessibility and minor repairs. 2018-21: The Housing and Community Services division increased funding for this program (approximately \$1 million annually) to assist more low-income and senior homeowners to improve the habitability, use and occupancy of owner-occupied housing. 2017: A NCIP Procedure Manual was updated and approved by the Loan Committee. 2015-16: An NCIP Procedural Manual is annually updated and approved by the Loan Committee.	Since 2014, the program has assisted over 121 low-income households of which 53 were seniors, and 37 were female headed households, and 11 were disabled.	Continue to offer these services, every two years the City could conduct proactive outreach to low-income homeowners who are elderly, have disabilities, or have large households. Renumbered and Renamed to Action 4: Maintenance of Housing Stock
Action 2	<u>Preservation of Assisted Rental Housing</u> . Continue to assist property owners of assisted housing by providing funding to make periodic improvements to the property, if available. Such assistance helps the project maintain its affordability.	Since 2014 the city has assisted with the preservation of Riverwood Place (146 units) by restructuring an existing City loan to allow for improvements and to extend affordability by 18 years. The City also helped preserve the 42-unit Westwood	Both projects serve lower income families	Continue to explore ways to preserve housing that serves a variety of groups pending

Table 13.7-2: Actions and Objectives

<i>Action</i>	<i>Program Title & Objective</i>	<i>Achievements/Results</i>	<i>Evaluation</i>	<i>Recommendation</i>
	<p>Continue to monitor at risk project by maintaining contact with the property owner annually regarding long term plans for the project.</p> <p>Establish contact with public and nonprofit agencies interested in purchasing and/or managing units at risk. As necessary and feasible, the City will provide financial and technical assistance to these organizations.</p> <p>Provide tenant education on Section 8 rental subsidies and other available assistance through City and County agencies as well as nonprofit organizations. Notify tenants at least one year in advance of potential conversion to market rate housing. Provide information regarding tenant rights and conversion procedures.</p> <p>Policy B-1, Policy C-1, Policy C-2, Policy C-3, Policy D-1</p>	Ambassador complex by restructuring our existing loan to allow for rehabilitation and to extend affordability by 27 years.		<p>available CDBG and PHLA capital funding, housing vouchers, funding for supportive services, and the interest of property owners to collaborate.</p> <p>Renumbered to Action 5</p>
Action 3	<p><u>Acquisition of Multi-Family Housing.</u></p> <p>Annually explore funding sources available at the regional, State, and federal levels to support acquisition/rehabilitation opportunities.</p> <p>Work with nonprofit entities to acquire and rehabilitate existing multi-family structures to be maintained as affordable rental housing.</p> <p>Seek opportunities to identify and purchase deteriorated residential properties during depressed rental</p>	<p>Multi-Family Housing Acquisition and Rehabilitation Status:</p> <p>2018-21: The City seeks opportunities to occupy deteriorated properties that, during times of depressed rental markets, cannot raise sufficient capital to rehabilitate. This is an active City program; however, market conditions have not provided compelling opportunities. In the meantime, the Housing and Community Services Division has launched a multi-family energy focused rehabilitation incentive for affordable</p>	The City is not well positioned to regularly compete for land on the open market.	Continue to coordinate with affordable housing developers and to explore and prioritize sites for possible funding assistance from the City.



SANTA CLARA
HOUSING ELEMENT

Table 13.7-2: Actions and Objectives

<i>Action</i>	<i>Program Title & Objective</i>	<i>Achievements/Results</i>	<i>Evaluation</i>	<i>Recommendation</i>
	markets, rehabilitate units, and convert from market rate to affordable levels. Policy B-1, Policy C-1, Policy C-2, Policy C-3, Policy D-1	projects in Santa Clara, with three projects currently in the pipeline. 2019-20: The City of Santa Clara has worked with Riverwood Place Associates, L.P. (MidPen Housing Corporation) to extend the affordable housing requirements for 148 rental units within the project located at 5090 Lick Mill Boulevard. MidPen approached the City of Santa Clara with a proposal to fund a solar panel installation as solar provides a great opportunity for long-term sustainability and cost savings. The estimated capital cost was estimated to be around \$680,000. MidPen Housing also proposed, as part of the financing strategy, to modify the terms of the City's existing Promissory Note. Whereas the original Promissory Note entitled the City to 75% of residual cash flow receipts, the proposed modification would entail a conventional 50/50 split of residual receipts between the City and MidPen. In exchange for the requested modification, the City requested to increase the interest rate to 2% from the original 0% and to extend the affordability covenants maturity date from March 14, 2056 to March 14, 2074, thereby preserving 148 studio apartments serving special needs adults for an additional 18 years. 2015-17: The City seeks opportunities to occupy deteriorated properties that, during times of depressed rental markets, cannot raise sufficient capital to rehabilitate. This is an active City program. These units are then converted to affordable units.		Renumbered to Action 6

Table 13.7-2: Actions and Objectives

Action	Program Title & Objective	Achievements/Results	Evaluation	Recommendation
Action 4	<u>Code Enforcement Program -</u> Continue the multi-family residential housing inspection and educational programs. Aggressively respond to violations of housing codes. Provide special attention to maintaining the stability of residential neighborhoods through development and enforcement of minimum standards of allowed use of the City's streets, as well as maintenance of front and other yard areas visible from the public right-of-way. Policy A-1, Policy A-2, Policy A-3, Policy A-4	City has three full time code enforcement technicians and one building inspector dedicated to code enforcement. Program has been successful in removing blight and substandard housing.	On-going	Continue with modification to expand Inspection and Code Enforcement Program to include proactive Multi-family Residential Housing inspections and educational programs in a regular cycle, which is beyond the current program that solely responds to code enforcement complaints Renumbered to Action 7
Action 5	<u>Neighborhood University Relations Program.</u> Improve the maintenance of student-occupied homes and behavior of the occupants to minimize impacts on the	Improve Relationship between Santa Clara University Students and other city residents in neighborhoods adjacent to SCU 2015-17 Status: The Planning Division and Police Department continue cooperation and giving attention to this	On-going; SCU now requires freshman and sophomore	Continue, as is Renumbered to Action 8



SANTA CLARA
HOUSING ELEMENT

Table 13.7-2: Actions and Objectives

<i>Action</i>	<i>Program Title & Objective</i>	<i>Achievements/Results</i>	<i>Evaluation</i>	<i>Recommendation</i>
	<p>neighborhood surrounding Santa Clara University (SCU).</p> <p>Enhance code enforcement and special Police patrols to address the problems in the area.</p> <p>Continue to hold meetings three times per year with student tenants, landlords, SCU, residents and the City to allow opportunities for stakeholders to discuss neighborhood issues and concerns.</p> <p>Continue to work with neighbors (residents, businesses, and institutions such as Santa Clara University) to ensure that development is compatible with existing neighborhoods and that neighbors are satisfied with the design, density, and parking requirements of projects.</p> <p>Policy A-1, Policy A-2, Policy A-3, Policy A-4</p>	<p>area. Meetings of all parties involved occur at least monthly.</p>	<p>students to live on campus, with some exceptions</p>	
Action 6	<p><u>Zoning Ordinance.</u></p> <p>Complete the comprehensive update to the Zoning Ordinance by mid-2016.</p> <p>Continue to monitor the Zoning Ordinance for any potential constraints to the development of housing, particularly housing for persons with special needs (including those with developmental disabilities) and amend the Zoning Ordinance as necessary.</p> <p>Policy A-3, Policy A-4, Policy B-2, Policy C-1, Policy C-2, Policy C-3, Policy C-4, Policy D-1, Policy D-5</p>	<p>Comprehensive Zoning Ordinance Update 2015-22 Status: The City is continuing to work on the comprehensive Zoning Ordinance Update, including the creation of more flexible mixed-use zoning districts that will be applied in the City's Focus Areas, including El Camino, Tasman East and Freedom Circle/Patrick Henry Drive.</p>	<p>The City has updated the zoning ordinance as the Specific Plans have been adopted. The City is currently updated the Zoning Ordinance</p>	<p>Continue, as is</p> <p>Renumbered to Action 9</p>

Table 13.7-2: Actions and Objectives

Action	Program Title & Objective	Achievements/Results	Evaluation	Recommendation
			with an anticipated completion in 1Q2023.	
Action 7	<p><u>Adequate Sites Inventory.</u></p> <p>Maintain an inventory of housing sites appropriate for a range of income levels and housing types, including supportive housing for persons with disabilities and developmental disabilities.</p> <p>Provide information and technical assistance on Federal and State funding sources or referrals to appropriate agencies.</p> <p>Disperse and monitor the location of affordable units in various areas of the City.</p> <p>Review housing sites inventory at time of development proposal to determine consistency with proposed density and assumed density in Housing Element.</p> <p>Maintain a zero net loss of units identified in the opportunity sites inventory of this Housing Element. If the assumed density is not entitled, a finding must be made that the displaced units can be redistributed to other opportunity sites.</p> <p>Encourage developments that are transit-based or in close proximity to transit when determining City affordable housing funding decision priorities.</p>	Identify Housing Sites (including TOD and Mixed Use) in General Plan. Status: Sites were identified in the General Plan and new housing has been approved and built-in areas designated for mixed use, including El Camino Real. The underutilized sites inventory is used during consultations with prospective developers.	On-going; Lawrence Station, Tasman East and Patrick Henry Drive specific plans approved	<p>Continue, with modification</p> <p>Renumbered to Action 10</p>



SANTA CLARA
HOUSING ELEMENT

Table 13.7-2: Actions and Objectives

<i>Action</i>	<i>Program Title & Objective</i>	<i>Achievements/Results</i>	<i>Evaluation</i>	<i>Recommendation</i>
	Encourage Mixed Use development where appropriate to provide increased opportunities for housing development. Notify owners of mixed use designated sites through an outreach/marketing program. Policy B-1, Policy B-2, Policy B-3, Policy B-5, Policy B-6, Policy B-7, Policy C-1, Policy C-3, Policy D-1, Policy D-3, Policy D-4			
Action 8	<u>Lot Consolidation.</u> Provide technical assistance regarding the lot consolidation process to interested parties. Provide the sites inventory to interested developers and assist in identifying sites with lot consolidation potential. Process lot consolidation applications concurrently with other applications for development. Policy B-2, Policy B-3, Policy C-1, Policy D-1	Consolidate lots for development 2015-17 Status: The City has been processing parcel maps and lot mergers to create larger, more easily developable sites, primarily occurring in the El Camino Real PDA.	This process has been successful when applied strategically	Discontinue
Action 9	<u>Impact Fees.</u> Assess if impact fees are constraining development or providing a competitive edge for the City. If City fees deviate significantly from those charged by comparable communities, take actions to adjust fees as appropriate. Policy B-2, Policy B-3, B-5, B-6, B-7, Policy C-3, Policy D-1	Explore Residential and Commercial Nexus Studies Status: 2017: The City completed both a residential and non-residential nexus study and has adopted residential and non-residential impact fees. 2016: The City has commissioned both a residential and non-residential nexus study and is currently doing outreach with stakeholders and the wider community.	The nexus studies have informed the Zoning Ordinance update	Continue Renumbered to Action 11

Table 13.7-2: Actions and Objectives

Action	Program Title & Objective	Achievements/Results	Evaluation	Recommendation
		2015: Studies have been required as part of environmental review of new employment-related developments, but conditioning and funding have only been accomplished where there were negotiations for a related Development Agreement.		
Action 10	<p><u>Provision of a Variety of Housing Types.</u> Promote the construction of accessory units to increase the type and size of the City's housing stock, with an objective of 25 units per year or 200 units over eight years.</p> <p>As part of the comprehensive Zoning Ordinance update (to be completed by mid-2016), reconsider, and revise if appropriate, requirements for accessory units.</p> <p>Conduct an ongoing promotional program, including mailings to owners of single-family properties with adequate size for accessory living units.</p> <p>Support development of low-income housing alternatives, such as single-room occupancy (SRO) units, senior housing, family housing, housing for persons with disabilities (including developmental disabilities) etc.</p> <p>Encourage affordable, compatible one- and two-story additions for upgrading single-family homes.</p>	<p>Fund Alternative Affordable Housing Types 2017-21 Status: The City is partnering with the County's Office of Supportive Housing to increase the supply of housing that is affordable and available to extremely low income and/or special needs households in the City through the use of funds from the 2016 Measure An Affordable Housing Bond. There are four active projects in the pipeline that total over 400 units. 165 of those units are for seniors, 134 of those units are set-aside for formerly homeless households, 15 units are set-aside for individuals who are disabled or have development disabilities, and 13 units are homeownership units.</p> <p>Encourage One- and Two-Story Additions 2015-21 Status: Almost 100% of proposed additions are approved, subject to Architectural Review, were consistent with zoning district standards. Modifications are typically approved for reduced rear yard for single story additions.</p> <p>Expand very low and extremely low-income units by following types of developments 2015-17 Status: SRO units, Senior Housing, Family Housing, etc. Support can be in the form of City</p>	This program has been successful in increasing housing types	Continue, as is Renumbered to Action 1



SANTA CLARA
HOUSING ELEMENT

Table 13.7-2: Actions and Objectives

<i>Action</i>	<i>Program Title & Objective</i>	<i>Achievements/Results</i>	<i>Evaluation</i>	<i>Recommendation</i>
	<p>Provide increased flexibility for houses built prior to the current zoning requirements.</p> <p>Continue to require the Residential Green Checklist as part of the permit submittals for residential construction.</p> <p>Policy A-3, Policy B-1, Policy B-3, Policy C-1, Policy C-3, Policy C-4, Policy D-1, Policy D-3</p>	<p>funds to variances based on SROs unique characteristics.</p> <p>2015-16 Status: Although not designed as Mixed-Use developments, residential units have been approved/constructed in areas designated Community Mixed Use. These projects will help to bolster the viability of mixed-use projects along the El Camino.</p> <p>Accessory Dwelling Units: The City now produces on the order of 50 ADUs/year, doubling the 2014 estimate.</p>		
Action 11	<p><u>Inclusionary Housing Policy.</u></p> <p>Continue to implement the Inclusionary Housing BMP and BMR programs.</p> <p>Annually monitor the effectiveness of the Inclusionary Housing Policy in expanding the housing supply and diversity in the community.</p> <p>Policy B-1, Policy B-2, Policy B-3, Policy B-7, Policy C-1, Policy C-2, Policy C-3, Policy C-4, Policy D-1</p>	<p>Inclusionary Housing requirement 2015-21 Status: The City's has adopted an Affordable Housing Ordinance, which has increased the inclusionary requirement 15% on site provision for for-sale and rental project with 10 units or more (compared to the previous requirement of 10% for only for-sale projects with 10 or more units). RDA subsidies for inclusionary housing were eliminated under the BMP Program in 1997.</p>	<p>This policy has been applied successfully to housing development projects and has produced low- and moderate-income housing.</p>	<p>Continue, with modification</p> <p>Renumbered and renamed to Action 2: Affordable Housing Ordinance</p>
Action 12	<p><u>Affordable Housing Incentives.</u></p> <p>Encourage and assist in efforts to combine public and private funds in joint housing ventures.</p>	<p>Develop Incentives for Affordable and Senior Housing Projects 2015-21 Status: The Zoning Code has been updated to reflect the current State density bonus provisions.</p>	<p>On-going</p>	<p>Continue, as is</p> <p>Renumbered and renamed to Action 3:</p>

Table 13.7-2: Actions and Objectives

<i>Action</i>	<i>Program Title & Objective</i>	<i>Achievements/Results</i>	<i>Evaluation</i>	<i>Recommendation</i>
	<p>As appropriate, support and/or partner with housing developers in the application for affordable housing funding, such as providing technical data, assistance in identifying available and appropriate sites, expediting review and processing of affordable housing, and providing local match as funding is available.</p> <p>Annually explore funding available at the regional, state, and federal levels for affordable housing development and programs.</p> <p>Continue to work with the Housing Authority of Santa Clara County to expand the Authority's ability to create low- and moderate-income housing.</p> <p>Participate with other local jurisdictions to provide affordable housing. Collaborate with neighboring jurisdictions to pursue funding opportunities for affordable housing programs. CDBG and HOME funds will continue to be used in conjunction with other cities' funds to construct shelters and to provide housing services.</p> <p>Continue to provide density bonuses or equivalent financial incentives for housing projects which include affordable and/or senior housing units, consistent with State law requirements.</p>			Affordable Housing Incentives and Facilitation



SANTA CLARA
HOUSING ELEMENT

Table 13.7-2: Actions and Objectives

<i>Action</i>	<i>Program Title & Objective</i>	<i>Achievements/Results</i>	<i>Evaluation</i>	<i>Recommendation</i>
	<p>Encourage housing developers to use the City's Density Bonus Ordinance and the Planned Development Zone District, which allow for flexibility in the zoning regulations.</p> <p>Continue to pursue opportunities to acquire and rehabilitate existing multi-family structures to be maintained as affordable rental housing.</p> <p>Encourage the provision of specialized housing to meet the needs of those with disabilities (including developmental disabilities); or for group care, emergency housing and foster homes, where appropriate.</p> <p>Identify situations of overcrowding and educate families of local housing programs.</p> <p>Incentivize nonprofit developers to develop units for very low and extremely low households by identifying appropriate housing sites or rehabilitation projects and matching developers with funding sources.</p> <p>Continue to require the Residential Green Checklist as part of the permit submittals for residential construction.</p> <p>Consider, in 2015-2016, other feasible incentives to foster affordable housing development in the City. These may include fee deferral, reduction, or waivers.</p>			

Table 13.7-2: Actions and Objectives

<i>Action</i>	<i>Program Title & Objective</i>	<i>Achievements/Results</i>	<i>Evaluation</i>	<i>Recommendation</i>
	Policy B-1, Policy B-2, Policy B-3, Policy B-7, Policy C-1, Policy C-2, Policy C-3, Policy C-4, Policy D-1			
Action 13	<p><u>Housing Mitigation Fee.</u> Continue to require housing impact studies as part of project- related environmental reviews for new developments or businesses that generate a high number of jobs. Continue to require Housing Impact Studies through development agreements with new projects, to address the impact on the affordable housing supply. Consider, in 2015-2016, establishing an affordable housing mitigation fee for office and industrial developments that propose a significant square footage of area where persons are to be employed. Policy B-2, Policy B-3, Policy C-1, Policy D-1</p>	<p>Requirement of Housing Impact Fee Studies for the largest projects; Development of a Housing Impact Fee Program Status: 2017-21: The City has adopted an Affordable Housing Ordinance, consisting of inclusionary on-site requirement for residential projects, impact fees for residential projects with 9 or fewer units, for fractional units and for nonresidential development. These requirements became effective on February 22, 2018. 2015-16: The City is currently in the process of outreach with the community and stakeholder to determine appropriate Affordable Housing impact fees, residential and non-residential.</p>	On-going	Discontinue
Action 14	<p><u>Affordable Housing Funding.</u> Identify a steady source of affordable housing funds. Pursue funding available from State, federal, and regional housing programs. Policy B-1, Policy B-2, Policy B-3, Policy B-7, Policy C-1, Policy C-2, Policy C-3, Policy C-4, Policy D-1</p>	<p>In 2022 the City joined the Santa Clara County PHLA Housing Consortium and will be allocating 2019 and 2020 funding in 2023. 2017-21: The City has adopted an Affordable Housing Ordinance, which includes a commercial linkage fee. The ordinance became effective on February 22, 2018, and since fall of 2021 has generated \$5.6 million since to address affordable housing needs in Santa Clara. 2015-16: The City is currently participating in the drafting of a multi-city nexus study for the</p>	On-going	<p>Continue to plan and allocate PHLA funding and to look for additional ongoing funding sources.</p> <p>Renumbered to Action 12</p>



SANTA CLARA
HOUSING ELEMENT

Table 13.7-2: Actions and Objectives

Action	Program Title & Objective	Achievements/Results	Evaluation	Recommendation
		creation of both residential and commercial housing impact fees.		
Action 15	<p><u>Economic Displacement.</u> Evaluate programs and policies and provide recommendations to City Council within one years of Housing Element adoption. As necessary and appropriate, adopt programs and policies to address displacement within two years of Housing Element adoption. Monitor programs and policies bi-annually for effectiveness. Policy B-4, Policy B-5, Policy C-1</p>	<p>The City continues to provide Tenant Based Rental Assistance (TBRA) in the form of deposits and rental subsidies for up to 12 months, along with case management services, to families with children experiencing homelessness, those fleeing domestic violence, or families with children that are at risk of homelessness.</p> <p>Community Ownership Conversion Tenant Protections 2018-21 Status: In the case of condominium conversions, landlords are required to provide tenant protections, including advance notice requirements, right of first refusal, and relocation assistance</p> <p>2019-20 - On March 24, 2020, the Santa Clara City Council approved Ordinances 2014 and 2015, establishing a temporary eviction moratorium in response to the COVID-19 pandemic. The moratorium went into effect immediately, March 24, and the Council subsequently extended the moratorium through August 31, 2020, at which time AB 3088 established a statewide prohibition on residential evictions.</p> <p>Provide Relocation Assistance to Residents Displaced by Redevelopment 2015-17: With the closure of the RDA, the City is exploring funding</p>	<p>The eviction moratorium has since expired, and state and pandemic related local rental assistance programs have ended. Additional programs may be needed to respond to displacement pressures.</p>	<p>Continue to provide TBRA and explore additional programs that respond to and prevent homelessness and displacement. Allocate the City's HOME ARP funding in 2023.</p> <p>Renumbered and renamed to Action 13: Residential Displacement</p>

Table 13.7-2: Actions and Objectives

Action	Program Title & Objective	Achievements/Results	Evaluation	Recommendation
		streams, including housing linkage fees, for relocation assistance. The City actively encourages developers to provide advance notice and relocation assistance for displaced tenants.		
Action 16	<p><u>Shared Housing.</u></p> <p>Continue to support programs designed to create shared housing arrangements for seniors, families, and persons with disabilities (including developmental disabilities).</p> <p>Annually evaluate the need for shared housing services as part of the CDBG annual plan process.</p> <p>Policy B-1, Policy C-2, Policy C-3, Policy C-4, Policy D-1, Policy D-2</p>	<p>Support Shared Living Facilities & Operations 2015-21 Status: The City encourages shared housing arrangements and group living arrangements for special populations who are very low income. In 2018 there was one official shared housing program for seniors in Santa Clara County and it was operated by Catholic Charities. This program ended because it was not sustainable, as it had too few landlords, too many renters, and it required a lot of staff facilitation. Some Seniors have indicated to City staff that they would prefer a 1 bedroom with support services for privacy and safety reasons.</p>	Home sharing can work well for group homes, but less so for the elderly residents.	<p>Continue to support the creation of new shared housing for persons with developmental disabilities. Explore service enhanced senior housing with rents capped at 30% of income versus based on AMI. Explore a new position to help seniors navigate the housing market and to access subsidized housing.</p> <p>Renumbered to Action 18</p>
Action 17	<p><u>Housing Choice Voucher Program.</u></p> <p>Continue to participate in and promote the Housing Choice Voucher Program.</p>	<p>Promote Section 8 Housing Program 2015 Status: Currently, the Housing Authority has 659 certificates/vouchers under contract within the City, 269 of which are elderly.</p>	On-going	<p>Continue, as is</p> <p>Renumbered to Action 14</p>



SANTA CLARA
HOUSING ELEMENT

Table 13.7-2: Actions and Objectives

<i>Action</i>	<i>Program Title & Objective</i>	<i>Achievements/Results</i>	<i>Evaluation</i>	<i>Recommendation</i>
	Encourage apartment owners to list properties with the Housing Authority for individual Housing Choice Vouchers. Policy B-1, Policy C-1, Policy C-2, Policy C-3, Policy D-1			
Action 18	<u>Homeownership for First-Time Buyers.</u> Continue to collaborate with NHSSV to implement the BMP program and provide assistance to approximately 10 to 15 lower, moderate-, and middle-income households during the 2015-2023 Housing Element planning period. Promote homeownership, particularly for first time buyers, through single-family, townhouse and condominium construction as well as conversion of rental to condominium ownership, where appropriate. Encourage program participation among moderate income households, as well as low-income households, while interest rates are low. Continue to promote homebuyer assistance programs through the Housing Trust Silicon Valley and the County of Santa Clara. Include links to these housing resources on City website by 2015. Policy B-1, Policy C-2, Policy D-1	Support and Fund First-Time Homebuyers (FTHB) 2015 Status: The Santa Clara's BMP (Below Market Purchase) program produced 4 first time homebuyers this year. They were all moderate income. There are 106 BMP owners in the current program since 2007 through October 28, 2022.	The current BMP program does not require BMP homes to stay affordable for more than five years. Policy changes could require resale to income qualified buyers and create more	Continue, with modification to require longer affordability terms on BMP homes. Renumbered to Action 15

Table 13.7-2: Actions and Objectives

Action	Program Title & Objective	Achievements/Results	Evaluation	Recommendation
			opportunities.	
Action 19	<p><u>Fair Housing Program.</u></p> <p>Continue to refer tenant-landlord complaints to an agency offering meditation.</p> <p>Provide referral services and promotional support to link those experiencing discrimination in housing with public or private groups who handle complaints against discrimination.</p> <p>Seek state and federal enforcement of fair housing laws and continue to cooperate with local agencies investigating claims of discrimination in lending practices and predatory lending.</p> <p>Provide outreach and education materials about fair housing services, nonprofit partners (e.g., Project Sentinel).</p> <p>Continue to hold open house events and meetings to distribute fair housing information and resources to tenants and homeowners in need of assistance.</p> <p>Refer disputes between property owners to the County Human Relations Commission's Dispute Officer.</p> <p>Policy B-1, Policy C-2, Policy D-1</p>	<p>Contract with Non-Profit Agency for Mediation Services 2015 Status: Annual service contract with Project Sentinel to provide tenant-landlord dispute resolution service on city-wide basis</p> <p>Provide Referral Services and Support for Discrimination Concerns 2015 Status: Provision of fair housing services by the City is essential to meet federal and State requirements to affirmatively further fair housing. Housing projects funded by federal HOME funds must develop and implement an affirmative marketing plan.</p>	<p>This has been an important resource that will continue to expand in outreach</p>	<p>Continue, with modification</p> <p>Renumbered to Action 16</p>
Action 20	<p><u>Homeless Services.</u></p> <p>Assist in funding locally administered programs that provide shelter, food and clothing for those with transitional and supportive housing needs.</p>	<p>The City has invested several hundred units of permanent supportive housing and/or ELI/VLI housing for families, individuals, and seniors.</p>	<p>The City has invested in a variety of</p>	<p>Continue to fund services and complete the City's local</p>



SANTA CLARA
HOUSING ELEMENT

Table 13.7-2: Actions and Objectives

<i>Action</i>	<i>Program Title & Objective</i>	<i>Achievements/Results</i>	<i>Evaluation</i>	<i>Recommendation</i>
	Continue to support housing for at-risk youth. Policy B-1, Policy C-2, Policy D-1	The City has also invested in public services through its CDBG and HOME programs including Tenant Based Rental Assistance, the regional Homelessness Prevention System, case management services for permanent supportive housing, assistance for survivors of domestic violence, and more. In 2022 the City conducted a six-month Homelessness Task Force and outreach process and published a draft strategic framework.	services and is in the process of writing a local strategic plan to expand its efforts.	homelessness response plan and begin implementing new programs that respond to the identified gaps. Renumbered to Action 17

Source(s): City of Santa Clara, 2022

Quantified Objectives

Table 13.7-2 summarizes Santa Clara's quantified objectives for the 2015-2023 Housing Element planning period and the progress the City has made, including progress meeting the City's fifth cycle RHNA.

Table 13.7-3: Summary of 2015-2023 Housing Element Quantified Objectives (through 2022 APR)

Objectives	Affordability Breakdown					Totals
	Extremely Low	Very Low	Low	Moderate	Above Moderate	
Building Permit Objectives (RHNA)						
Goal	-	1,050	695	755	1,593	4,093
Progress	-	474	502	213	6,932	5,266
Single-Family Rehabilitation Objective						
Goal	424 (160 ELI)			-	-	424
Progress	121 (24 ELI)			-	-	121
At-Risk Housing Units to Preserve						
Goal	-	-	-	-	-	-
Progress	-	-	-	-	-	-

Source(s): City of Santa Clara, 2023



**SANTA CLARA
HOUSING ELEMENT**

This page was left intentionally blank.

5 th Cycle Housing Plan	3
Quantified Objectives	21

List of Tables

Table 13.7-1: Goals and Policies	3
Table 13.7-2: Actions and Objectives	4
Table 13.7-3: Summary of 2015-2023 Housing Element Quantified Objectives (through 2022 APR)	21

Appendix A

Outreach

Summary

As part of the Housing Element update draft a Public Engagement Plan (PEP) was developed by City staff to provide the community public participation opportunities during the development of the Housing Element under Gov. Code Section 65583 (c)(9). Additionally, the City set up a housing element webpage: <https://www.santaclaraca.gov/our-city/departments-a-f/community-development/planning-division/general-plan/housing-element-update>; that provided continual updates as work on the 6th Cycle Housing Element progressed. The list-serv generated by this effort has 1,500 subscribers (as of January 3, 2023) that are notified when the page updates and notifications are posted regarding the Housing Element.

During the development of the PEP stakeholders were identified and interviewed, surveys were conducted in multiple languages, and comment on the draft element was received; all informing the final iteration of the 6th Cycle Housing Element.

Stakeholder interviews were conducted to help build a framework for the 6th Cycle Housing Element. The interview questionnaire and summary are included in **Appendix A-1: Stakeholder Interview Summary**. The stakeholders that were interviewed are a subset of interested parties that were contacted from a list of community members and organizations listed in **Appendix A-2: Stakeholder List**.

Shortly after the interviews were conducted, the City conducted an on-line survey to gather information about how residents were experiencing housing. The survey was conducted in English, Spanish, Vietnamese, and Chinese (Mandarin). There were well over 1,500 responses which are summarized in **Appendix A-3: Community Survey Summary**. The survey results were incorporated into the formulation of the 6th Cycle Housing Plan Goals, Policies, and Actions. Although, there was some demographic variance in the results of the survey, they were not statistically significant. Nonetheless, where there were apparent variances or interesting results, those were provided in the summary sections as additional result tables. Finally, feedback collected provided support for the Housing Plan actions focused on diverse outreach and engagement and services to protected classes.

Appendix A-4: Regional Santa Clara County AFFH Related Outreach and **Appendix A-5: Housing Element Specific Outreach** provide numerous instances of regional and local outreach activities that the City conducted or participated in. As stated in the introduction to this 6th Cycle Housing Element, outreach consisted of:



HOUSING ELEMENT

- Community Meetings
- Stakeholders Meetings, Questionnaires, and Interviews
- Digital Surveys: English, Spanish, Vietnamese, Chinese (Simple)
- Community Events
- Community Pop-ups
- Tenant Listening Sessions
- Homelessness Taskforce Meetings
- Planning Commission and City Council Meetings

At a high level, the community engagement was utilized to balance and align community input with State Housing Law requirements. With, consistent themes of affordability, housing type and tenure, housing choice, tenant protections, and homelessness the outreach process informed the Housing Plan actions, policies, and actions, and confirmed or highlighted trends identified by the demographic analysis. Specifically outreach informed the creation of new efforts in the Housing Element as follows:

- Respondents to outreach and commentators were concerned that the designated levels of affordability in the city's existing inclusionary ordinance are increasingly not affordable for many residents. The Housing Element includes a planned effort to update the inclusionary ordinance to increase a greater number of units in the deeper affordability categories and to redefine the City's moderate affordability category to reflect a lower income range. Also proposed is including in the City's Notice of Funding Availability specifications criteria that would prioritize City funding of Extremely Low Income and Very Low Income units.
- Consistent feedback was received through all outlets and demographics of respondents highlighting the need to better address homelessness. The City's newly created Homelessness Task Force comprised of service providers, advocates, and individuals with lived experience of being unhoused have provided recommendations that are being pursued through the creation of a Homelessness Response Plan with implementation actions that will be adopted in early 2023.
- Commentors provided feedback on the need for more displacement prevention. The Housing Plan includes the City Council's future consideration of new policies and programs that would require no net loss of income restricted units during construction or rehabilitation of existing housing; replacement of existing affordable housing units at the same or lower affordability levels; landlord and City notification and information for tenants affected by efforts that would cause relocation; require developers to provide relocation benefits beyond State requirements.

- Residents of affordable and special needs housing shared at listening sessions that they have been particularly affected by heat waves and wildfire smoke. As part of the City's CDBG program, the City will promote a Notice of Funding Availability process for installation of HVAC improvements for sensitive populations.

The City of Santa Clara asked for the public's comments on the Housing Element Draft via its website, list-serv, social media, printed/mailed newsletter (Inside Santa Clara), e-newsletter (City Hall News) and public meetings. The comments were collected via Konveio, a public comment platform for document review and via email. The public comments received on-line and via formal comment letter are included in **Appendix A-6: Public Review Draft Comments, Figures 1-9**. Following the public comment period on the Housing Element Update, commenters and stakeholders were invited to a stakeholder meeting to discuss the potential Housing Plan goals, policies, and actions that could address their questions and concerns.

Additionally, the City continued to engage in community outreach during the 90-day review period of the Housing Element Draft by HCD. The input collected during this period is subsumed in the housing element specific outreach mentioned above in **Appendix A-5**. Public and comment and formal letters continued to be addressed after the City received comments on the Housing Element Draft. Notably, the section on Housing Resources, was significantly revised based on formal comments regarding the City's process for site selection.

Appendix A-1 Stakeholder Interview Summary

Six interviews were held via telephone, zoom, and/or email with internal and external community stakeholders between May and June 2022.

FIGURE 1: INTERVIEWS AND SCHEDULE

Santa Clara Unified School District	May 9, 2022
Santa Clara Schools Foundation	May 13, 2022
Santa Clara Senior Center	May 13, 2022
PARS Equality Center	May 18, 2021
Momentum for Health	May 31, 2022
Calabazas Community Apartments, Adobe Services	June 8, 2022



STAKEHOLDER INTERVIEW QUESTIONS & KEY FINDINGS

1. What are the strengths and assets that make Santa Clara a great place to live?

City of Santa Clara provides its residents with a safe, diverse, community driven environment. The public facilities and parks are a utilized asset in the community.

- Weather
- Diverse population (ethnically, economically, age)
- Safe
- Great public facilities, parks, libraries, recreation facilities
- Great location, easily accessible to other areas in the Bay Area
- Good transport
- Venues, entertainment options
- Small town, University/Community College town makes it a great location to live
- High quality schools
- Family and community oriented
- Supports its residents

2. What are the most critical challenges related to residential development in Santa Clara?

Due to the high cost of living and housing shortages, some residents are unable to afford rent or to buy homes. A shortage of affordable and low-income housing could push residents out of the city.

- Cost of housing
- County code prohibits acquiring homes and buildings
- Shortage of affordable and low-income housing
- The personal home buying process is difficult due to affordability and cash offers
- Unable to place underhoused and unhoused community in shelters or affordable housing
- Lack of land for new developments
- Lack of housing and securing of more housing
- Difficulty welcoming others, NIMBY
- Congestion in existing developed areas
- High cost of rent and living will push residents out of the area
- Wait list for housing vouchers, Section 8 lottery
- Cost of construction
- Lacks character and a downtown
- Housing department is outsourcing housing assistance as well as creating barriers

3. What are your priorities for housing development in Santa Clara?

The priorities for the City of Santa Clara should be to provide affordable housing to the locals. Establishing creative housing programs is also a priority. Tackling homelessness should also be a priority.

- Financial assistance and programs for organizations to buy buildings for services such as mental illness facilities, homeless shelters
- Increase amount and accessibility of affordable housing
- Partnerships with organizations to allow for creativity
- Affordable housing for families who work in Santa Clara and send their children to public schools
- More affordable housing
- Subsidized housing options
- Facilities for people coming off the streets

4. What is your definition of affordable housing and who does it serve?

The key responses include: prioritizing the service industry, seniors, police officers, teachers, and locals. Residents should not have to pay more than 50% of their income for housing.

- Subsidized housing, based on income listed on tax returns
- Affordable housing and care for individuals with serious mental illnesses
- Serves people who are service workers/blue collar as well as the entire community
- Allows for a community to develop in a city
- Housing that is affordable for families to live in the city where they work
- Two working adults can afford rent without sacrificing food or a savings
- For teachers, seniors, police, only one senior housing development in the area

5. Are there housing projects (or general development trends) in other cities that are examples of what you would like to see in Santa Clara?

Below are examples of cities with housing projects or development trends suggested by the stakeholders.

- 41 South 11th Street house for housing and maintaining housing for groups of people
- Orange County Health Improvement Plan is a nonprofit that works with



HOUSING ELEMENT

- the county to train employees to operate housing buildings
- Short term rental assistance (TBRA)
- Charities Housing in Cupertino
- The Veranda Senior Housing
- Apartments/Condominiums with more than two bedrooms and in large buildings

- Multigenerational housing developments, co-ops: <https://www.cotaticohousing.org/>
- San Jose, community engagement
- Permanent supportive housing facility by PATH in San Jose: Villas on the Park

6. How do you see Santa Clara changing over the next 8-10 years? What role does housing play in these changes?

Providing children, elderly, and lower income residents with affordable housing options is critical to maintaining a sense of community in the City of Santa Clara. Creative and innovative housing approaches may pose challenges with locals.

- Shortage of professionals
- Something should be done about affordable housing
- Less people will want to live in the area if there are tents on the street
- Less taxes otherwise businesses won't thrive
- Give locals a reason to stay
- Expanding housing in a creative way could make people uncomfortable
- If housing doesn't change Santa Clara will not grow in a diverse way and live up to its potential
- Digitization of application processes for affordable housing
- Reduced waiting and processing time to meet demand
- Increased value in the area due to new Google development
- Crime should be addressed for safety
- Equitable quality of school districts
- Multi-bedroom units are needed for families to stay
- Increase in city policies and funding toward creating affordable housing for those in need
- Prioritize seniors and low income

7. Are there neighborhoods in the city that lack access to opportunities for healthy food, green space, transit, quality jobs and education?

Overall, the city provides access to opportunities for the residents of the City of Santa Clara. Some neighborhoods in the city could improve on access to food and transportation.

- Stakeholder is unfamiliar with the area or does not live in the city
- City provides access to opportunities
- Bicycle lane improvements
- Suburban neighborhoods lack walkability

- Transportation is infrequent and does not include enough routes
- Some neighborhoods (such as Lafayette) lacks access to nearby grocery stores

8. Can you share any thoughts or stories about housing discrimination and/or housing segregation in Santa Clara?

Overall, there is a stigma around low-income and affordable housing, particularly with landlords.

- Generally, not too prevalent in the city
- Discrimination and stigma from landlords regarding Section 8/low-income applicants
- Difficulties finding landlords willing to work with participants
- Limited supply of housing in the city
- Outdated stereotypes and stigmas about people with housing vouchers
- Upper class residents are less interested in providing the community with affordable or low-income housing developments
- Low-income housing lumped into one building
- Lower income apartments are located near title I schools and districts
- Families in low-income, one-bedroom apartments out of necessity

9. How can the City, in partnership with stakeholder groups, help to ensure inclusive and equitable fair housing outreach that includes all segments of the community?

Partnering with stakeholder groups is important to the community, however inclusive and equitable outreach are key. Residents would like the city to provide outreach to residents in multiple languages and with clearer guidelines to ensure fair housing.

- Understand the residents' needs
- Acknowledge subgroups other than those defined by race or ethnicity that need housing
- Ensure more affordable housing is implemented
- Prioritize teachers, law enforcement, nonprofit workers who want to stay in the city
- Regular outreach meetings to share community needs with the city
- Prioritize building multi bedroom housing
- Provide information about housing in multiple languages
- Provide clear guideline for who qualifies for housing programs
- City's emailing list does not reach all groups
- Not realistic to buy a house in the city of Santa Clara



HOUSING ELEMENT

10. Are there residential blocks or neighborhoods in the city that lack access to quality education and daycare, open space and parks, libraries, shopping, grocery stores, transit service, clean air, and/or other opportunities?

Below are examples of residential blocks or neighborhoods in the city that stakeholders suggest lack access to quality education and daycare, open space and parks, libraries, shopping, grocery stores, transit service, clean air, and/or other opportunities:

- Residential blocks exist in unincorporated areas with the east and south of the city - going towards the foothills (White Rd) and south of the City (Monterrey, Bernal Rd). These areas need more transportation.
- The state is investing resources in BART and the light rail, but they are not reaching those areas. There is a need for more community health clinics, subsidies for day cares throughout the city.
- The northwest of the city will lack an elementary school once all the units are constructed
- Some neighborhoods are further away from public amenities (such as libraries)
- Clean air is a problem in areas like Lawrence, Montague, Santa Moss, and El Camino
- Lafayette and Clyde is a very industrial block with factories and chemical release
- Noise pollution from the nearby San Jose airport, Levi's stadium, and major roads
- Not everybody has AC filters

11. Are there any other specific stakeholders we should be talking with?

Below is a list of suggested stakeholders to speak with:

- Teresa O'Neill – former city council member
- First community housing (<https://www.firstcommunityhousing.org/>), 21 major projects in Santa Clara County - experts in housing regulations and they understand the basic needs.
- African American Cultural Center
- Donald, Executive Director of Pacific Clinics (Previously UpLift Family services) – he works with families, youth and can give a different perspective on other populations
- Community Solutions
- Religious centers such as churches



Appendix A-2: Stakeholder List

The stakeholder list initially identified potential organizations and individuals that could be interviewed and potentially participate in a stakeholder workshop(s). The organizations and individuals were contacted by e-mail and direct phone calls to participate in a formal interview.

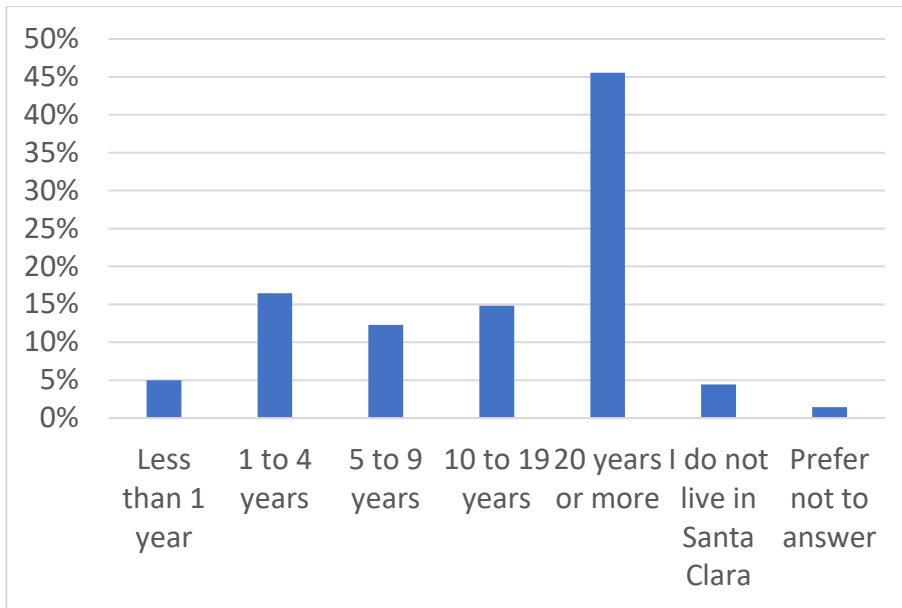
Company/Organization	Groups Served / Sector									
	Elderly/ Seniors	Persons Experiencing Homelessness	Families (large families, female headed families)	Persons with disabilities	Persons with developmental disabilities	Lower income households	Farmworkers	Spanish speaking residents	Affordable Developer	Market Rate Developer
Santa Clara Housing Authority						X			X	
City of Santa Clara Youth Commission Safe Place										
City of Santa Clara Senior Advisory Commission	X									
Santa Clara Senior Center	X									
Heart of the Valley: Services for Seniors	X									
Santa Clara Lions Club										
Santa Clara Libraries		X				X				
West Valley-Mission Community College										
Santa Clara University		X	X			X		X		
Mission College Santa Clara			X		X	X				
Santa Clara Historical Society										
Santa Clara Unified School District										
Santa Clara City Library Foundation and Friends										
Santa Clara Youth Soccer League										
Santa Clara Lions Youth Football & Cheer										
Santa Clara Westside Little League										
Briarwood El Camino Little League										
Santa Clara Swim Club										
Sierra Club Loma Prieta										
Asian American Center of Santa Clara County	X					X				
San Jose Japanese American Citizens League										

Company/Organization	Groups Served / Sector									
	Elderly/ Seniors	Persons Experiencing Homelessness	Families (large families, female headed families)	Persons with disabilities	Persons with developmental disabilities	Lower income households	Farmworkers	Spanish speaking residents	Affordable Developer	Market Rate Developer
Hispanic Foundation of Silicon Valley								x		
CAIR California San Francisco Bay Area										
PARS Equity Center						x				
Jewish Family Services of Silicon Valley	x	x	x			x				
Santa Clara Women's League	x									
Elk's Lodge #2347										
Rotary Club of Santa Clara										
Santa Clara Kiwanis Club	x	x	x	x	x	x				
Sacred Heart Community Service	x	x	x			x				
Project Sentinel	x	x	x	x	x	x		x		
Bill Wilson Center		x								
SV@Home									x	
Abode Services		x							x	
Salvation Army (San Jose)	x	x	x	x	x	x				
Homelessness Task Force			x							
Planning Commission										
Santa Clara Unified School District (McKinney Vento homelessness prevention)		x	x							
City of Santa Clara Chamber of Commerce										
Catholic Charities of Santa Clara County	x	x	x	x	x	x				
Momentum for Health				x	x					
Roots Community Health Center	x	x	x	x	x	x				
American Legion Santa Clara Post 419 (Veterans Services)	x	x								
Working Partnerships USA			x			x		x		

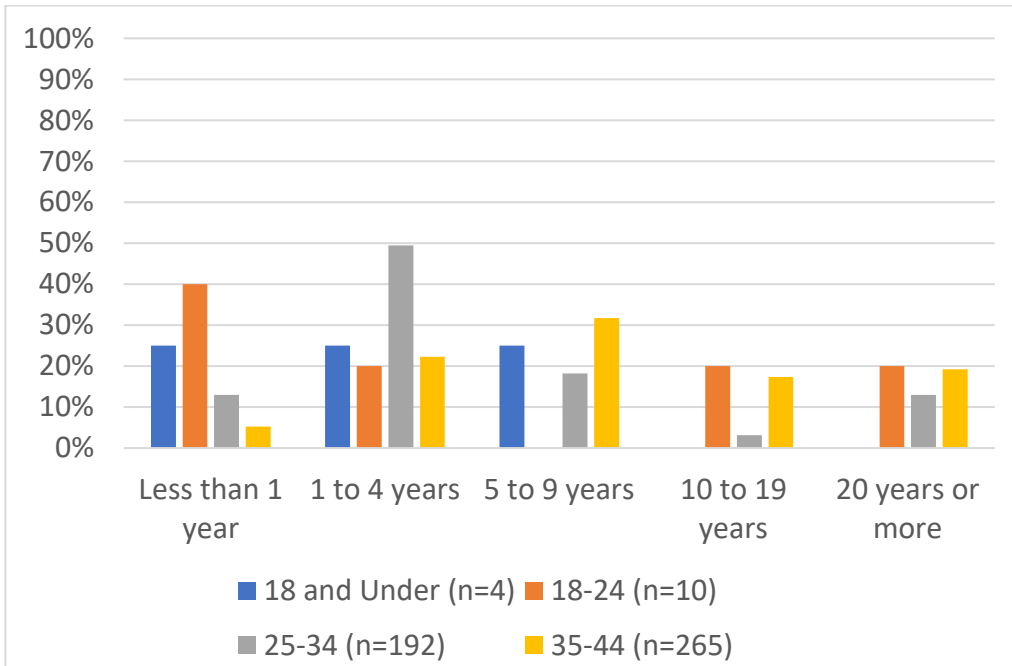


Appendix A-3: Community Survey Summary

**FIGURE 1: HOW LONG HAVE YOU LIVED IN THE CITY OF SANTA CLARA?
(QUESTION 1; N=1,585)**



**FIGURE 2: HOW LONG HAVE YOU LIVED IN THE CITY OF SANTA CLARA?
(QUESTION 1; UNDER 18 – 44 YEARS OLD; N=471)**





HOUSING ELEMENT

**FIGURE 3: HOW LONG HAVE YOU LIVED IN THE CITY OF SANTA CLARA?
(QUESTION 1; UNDER 45 YEARS OLD – 65 AND ABOVE; N=842)**

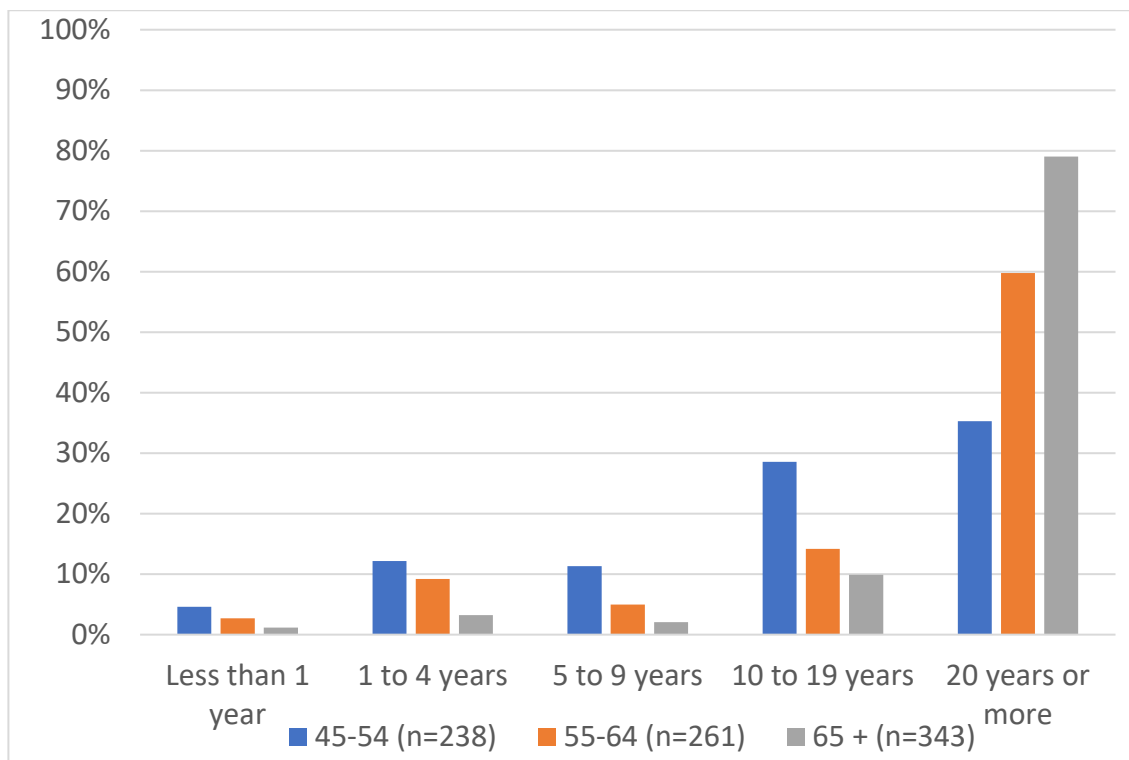
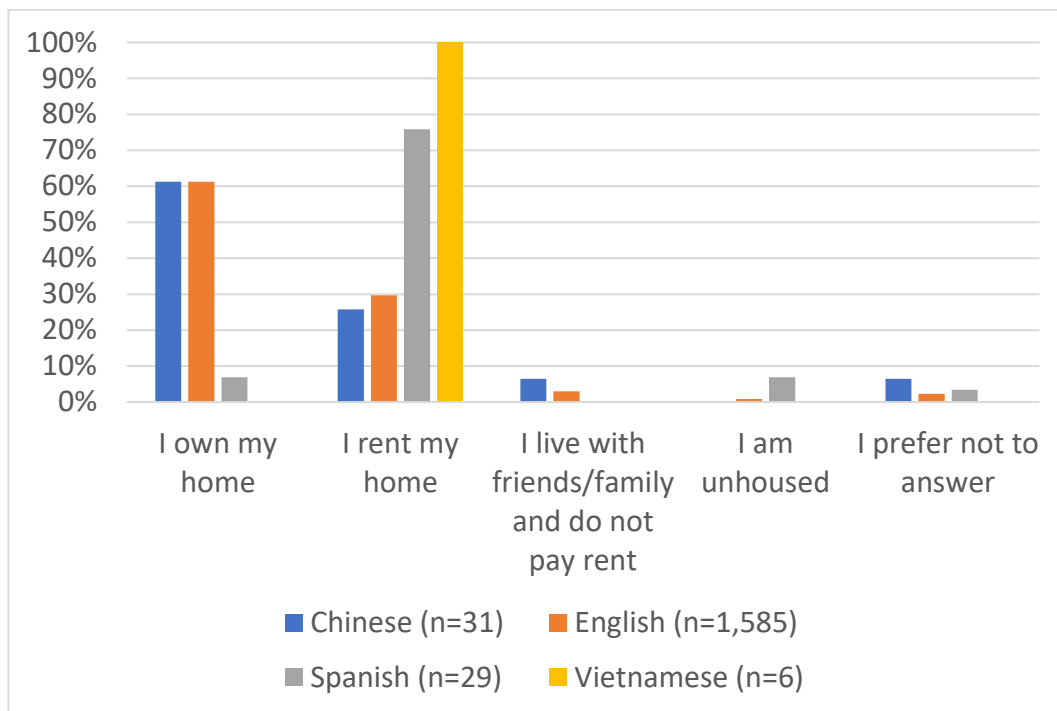
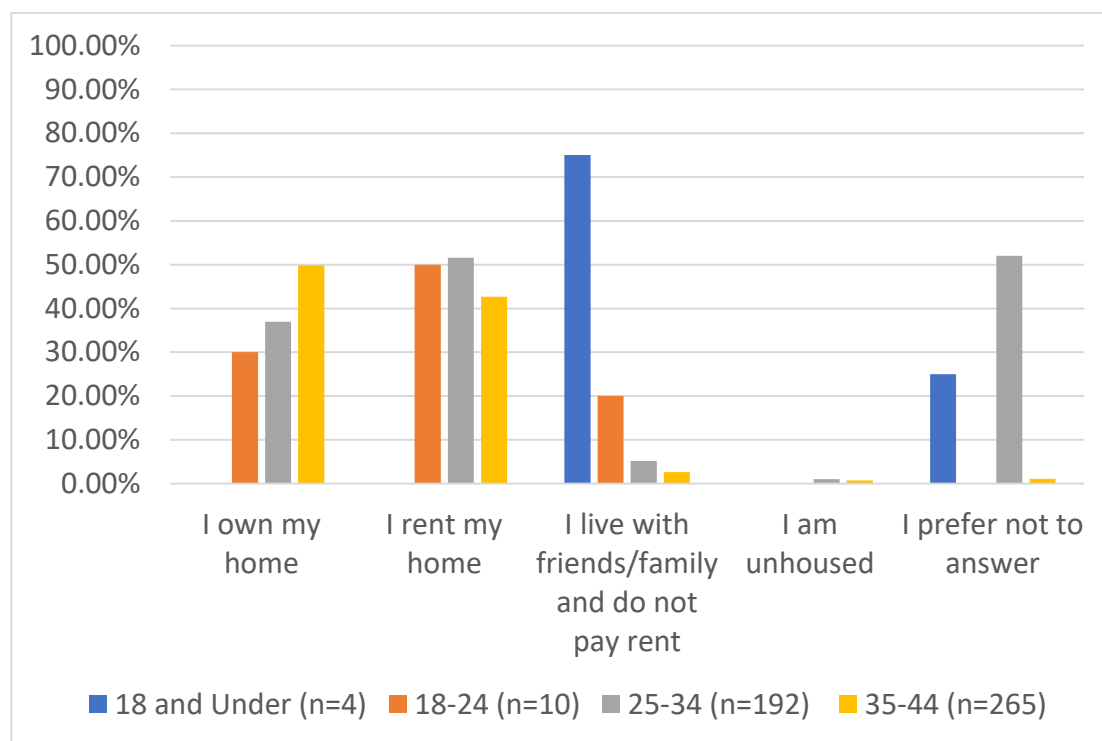


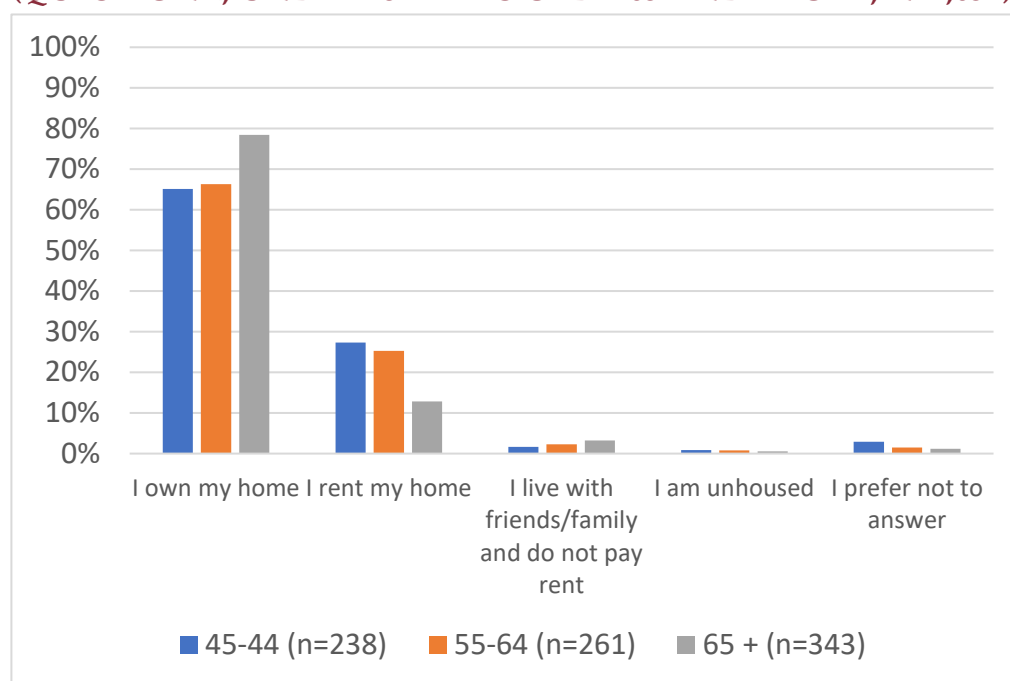
FIGURE 4: WHAT IS YOUR CURRENT HOUSING SITUATION? (QUESTION 2; N=1,651)



**FIGURE 5: WHAT IS YOUR CURRENT HOUSING SITUATION BY AGE GROUPING?
(QUESTION 2; UNDER 18 – 44 YEARS OLD; N=471)**



**FIGURE 6: WHAT IS YOUR CURRENT HOUSING SITUATION BY AGE GROUPING?
(QUESTION 2; UNDER 45 YEARS OLD – 65 AND ABOVE; N=1,651)**





HOUSING ELEMENT

FIGURE 7: DO YOU WORK AND/OR ATTEND SCHOOL IN SANTA CLARA, AND HOW MUCH TIME DO YOU SPEND TRAVELING AND BY WHICH MODE OF TRANSIT? (QUESTION 3; N=722)

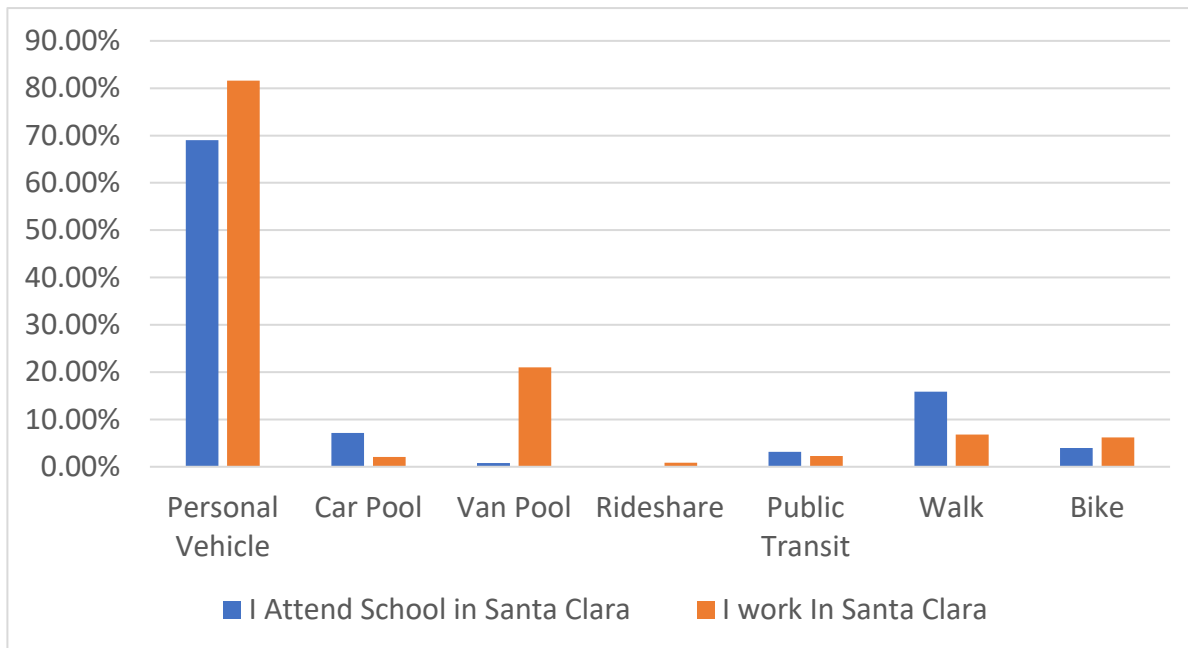
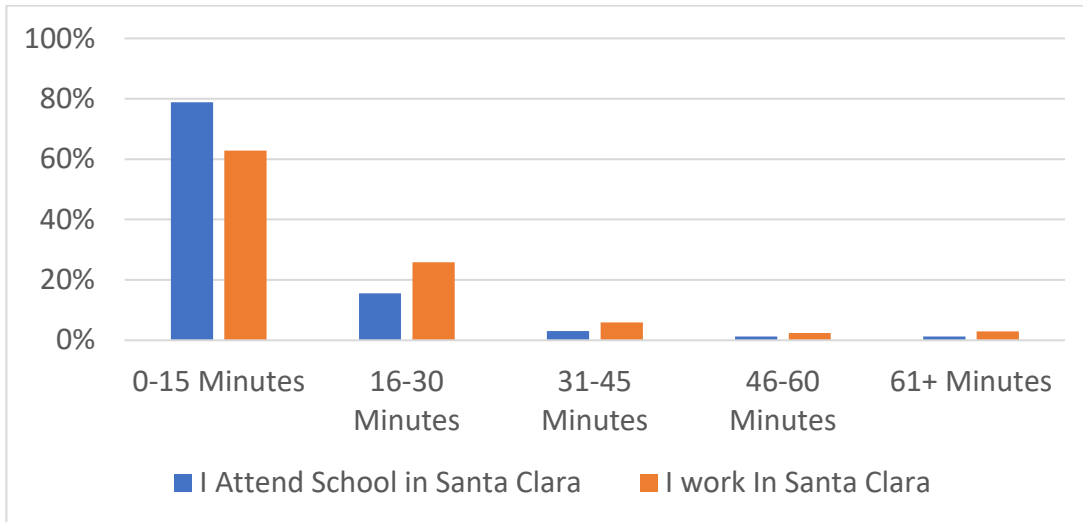


FIGURE 8: WHAT TYPE OF HOUSING DO YOU THINK SANTA CLARA NEEDS MORE OF (PICK YOUR TOP 3 – ENGLISH SURVEY RESULTS)? (QUESTION 4; N=1,474)

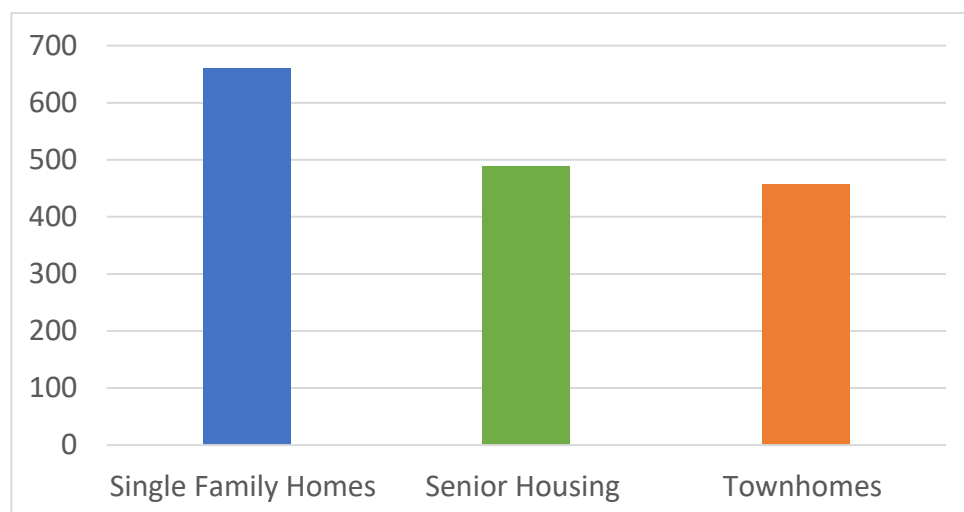
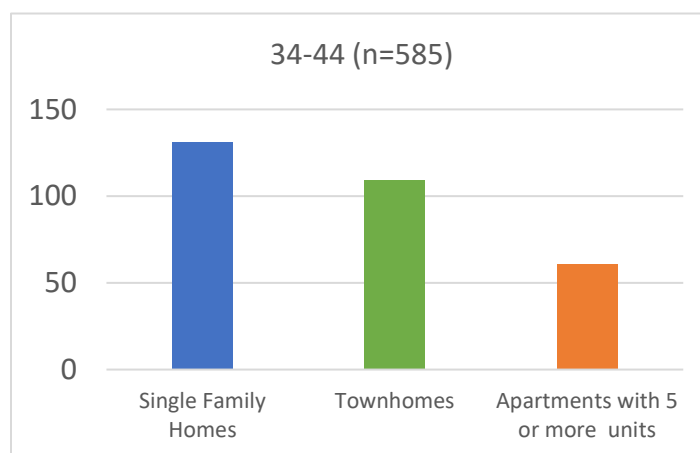
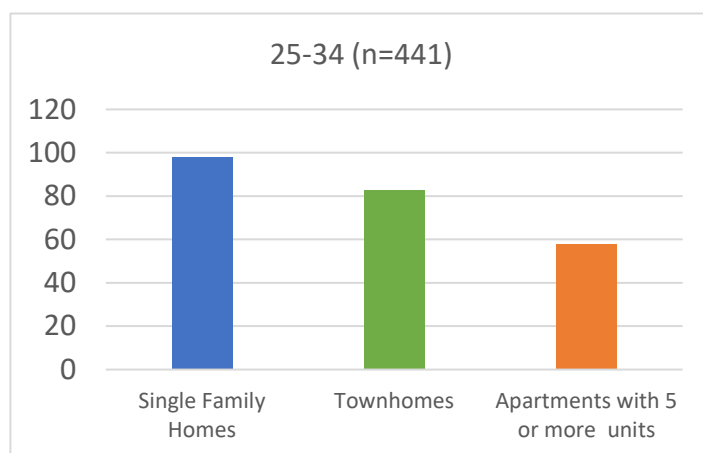
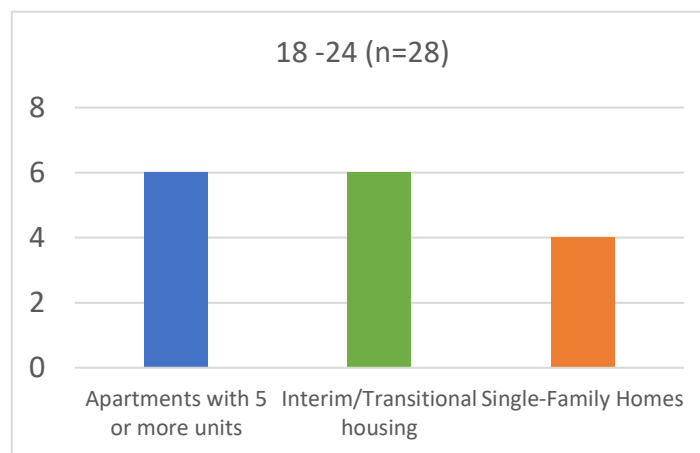
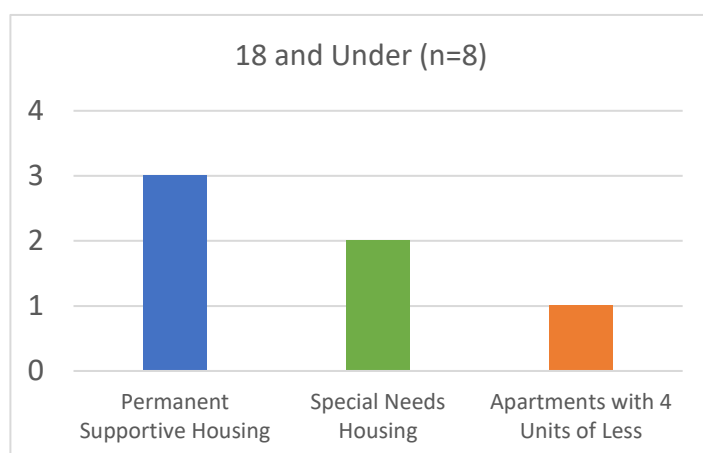


FIGURE 9: WHAT TYPE OF HOUSING DO YOU THINK SANTA CLARA NEEDS MORE OF (PICK YOUR TOP 3 – ENGLISH SURVEY RESULTS BY AGE GROUPINGS)? (QUESTION 4)





HOUSING ELEMENT

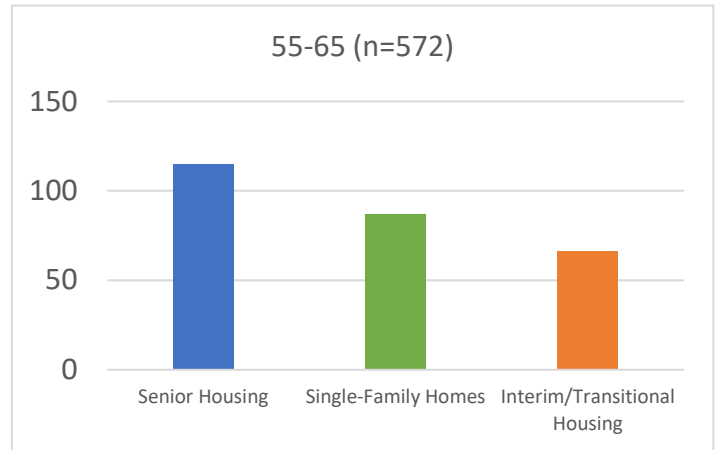
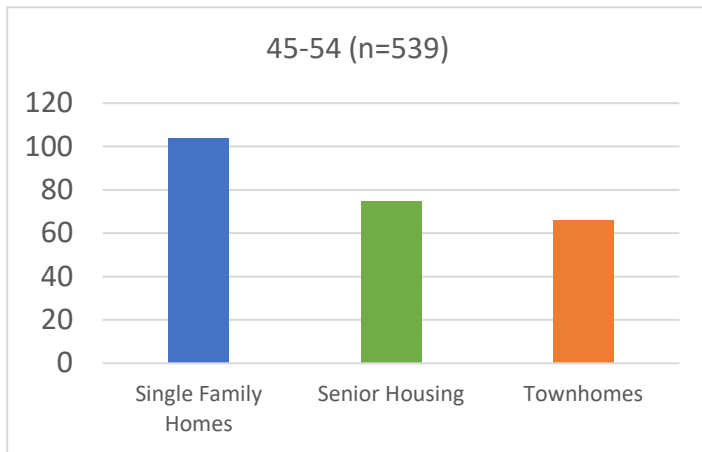


FIGURE 10: WHAT TYPE OF HOUSING DO YOU THINK SANTA CLARA NEEDS MORE OF (PICK YOUR TOP 3 – ALL LANGUAGES SURVEY RESULTS)? (QUESTION 4; N=1,538)

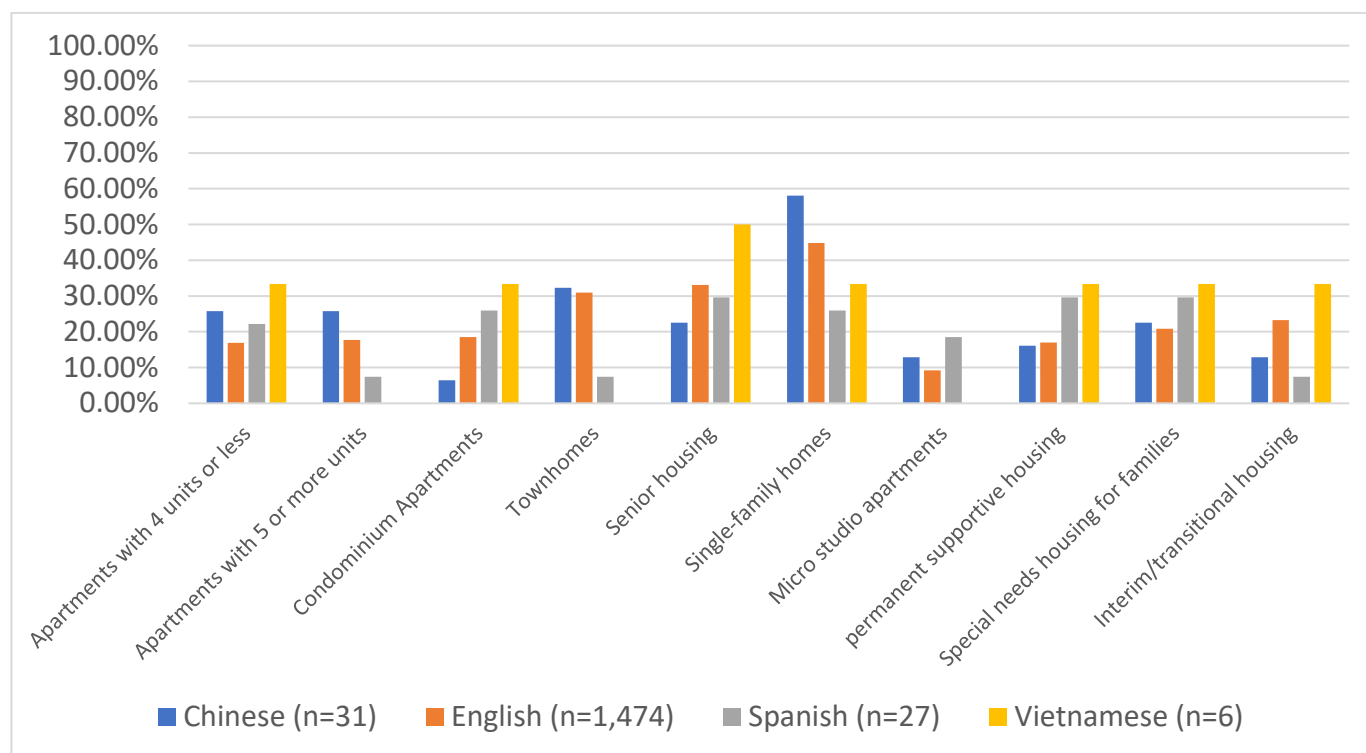


FIGURE 11: MORE HOUSING IS NEEDED FOR (ENGLISH SURVEY RESULTS): (RANK YOUR TOP 3) (QUESTION 5; N=1,452)

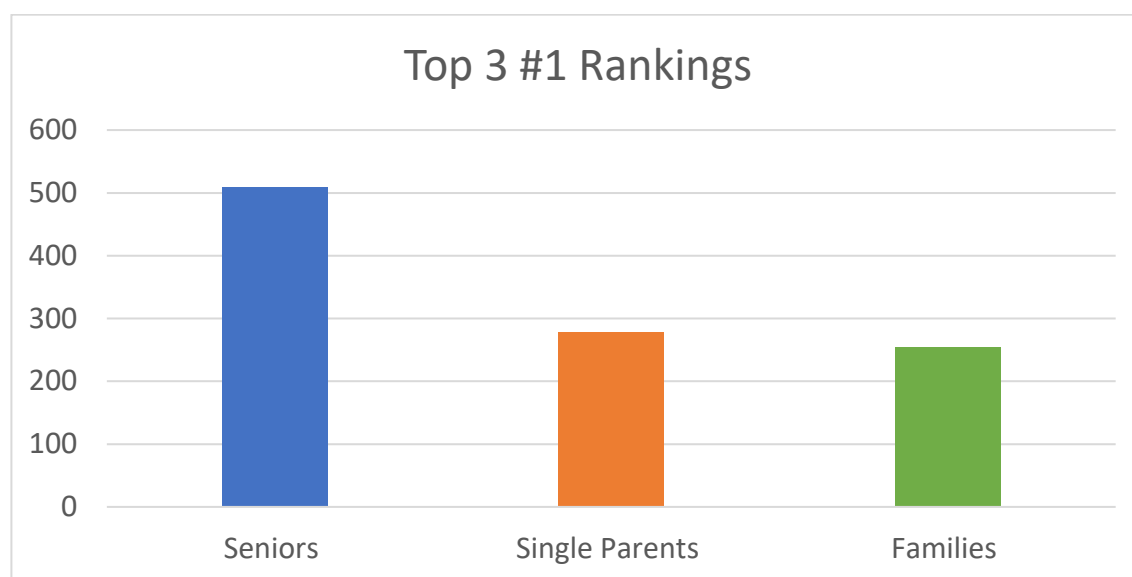




FIGURE 12: MORE HOUSING IS NEEDED FOR (SPANISH SURVEY RESULTS): (RANK YOUR TOP 3) (QUESTION 5; N=29)

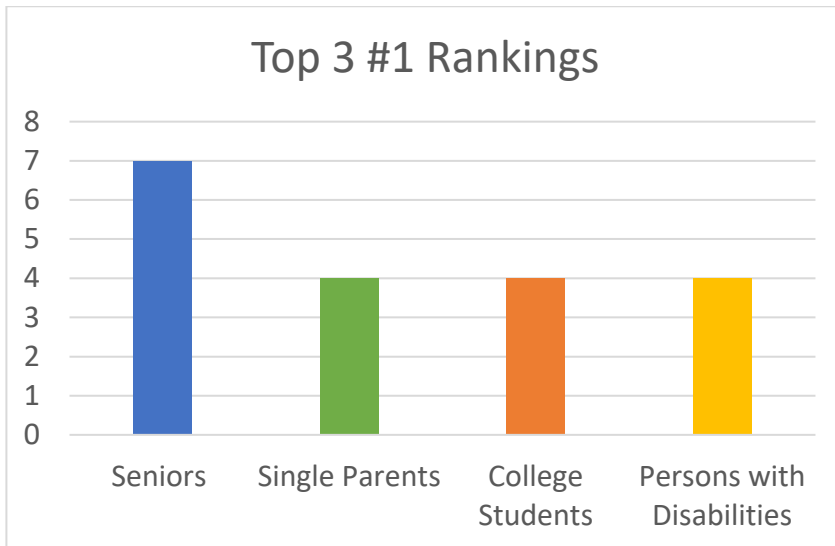


FIGURE 13: MORE HOUSING IS NEEDED FOR (CHINESE SURVEY RESULTS): (RANK YOUR TOP 3) (QUESTION 5; N=31)

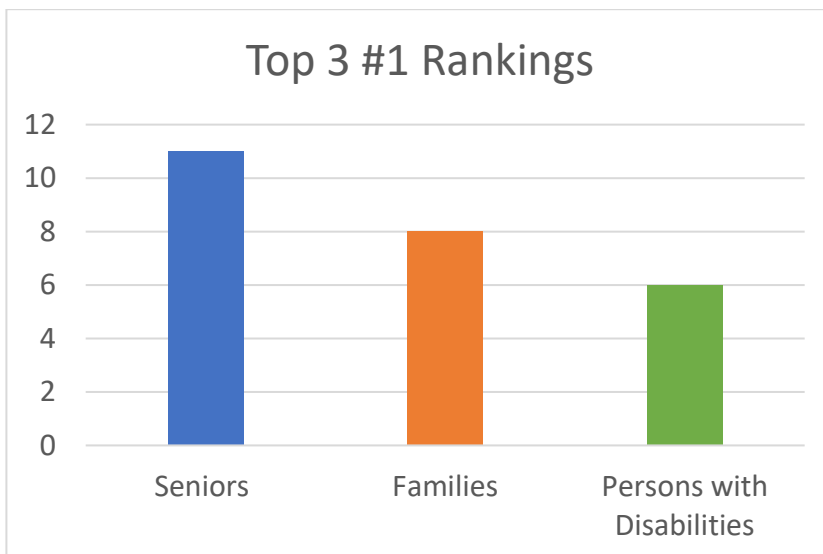


FIGURE 14: MORE HOUSING IS NEEDED FOR (VIETNAMESE SURVEY RESULTS): (RANK YOUR TOP 3) (QUESTION 5; N=6)

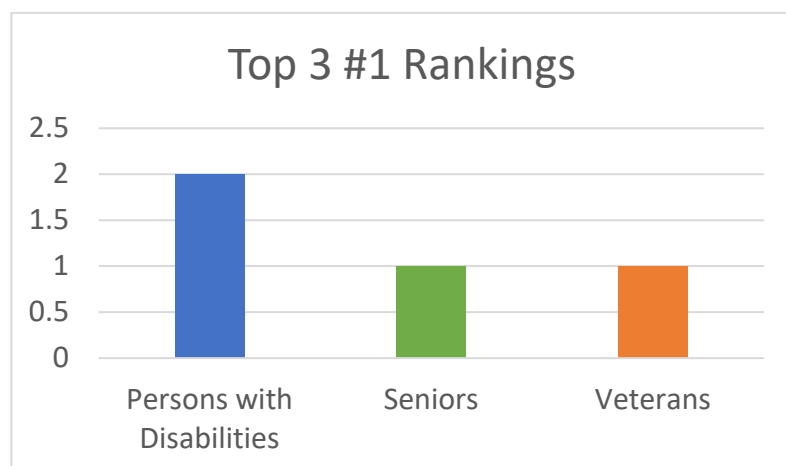
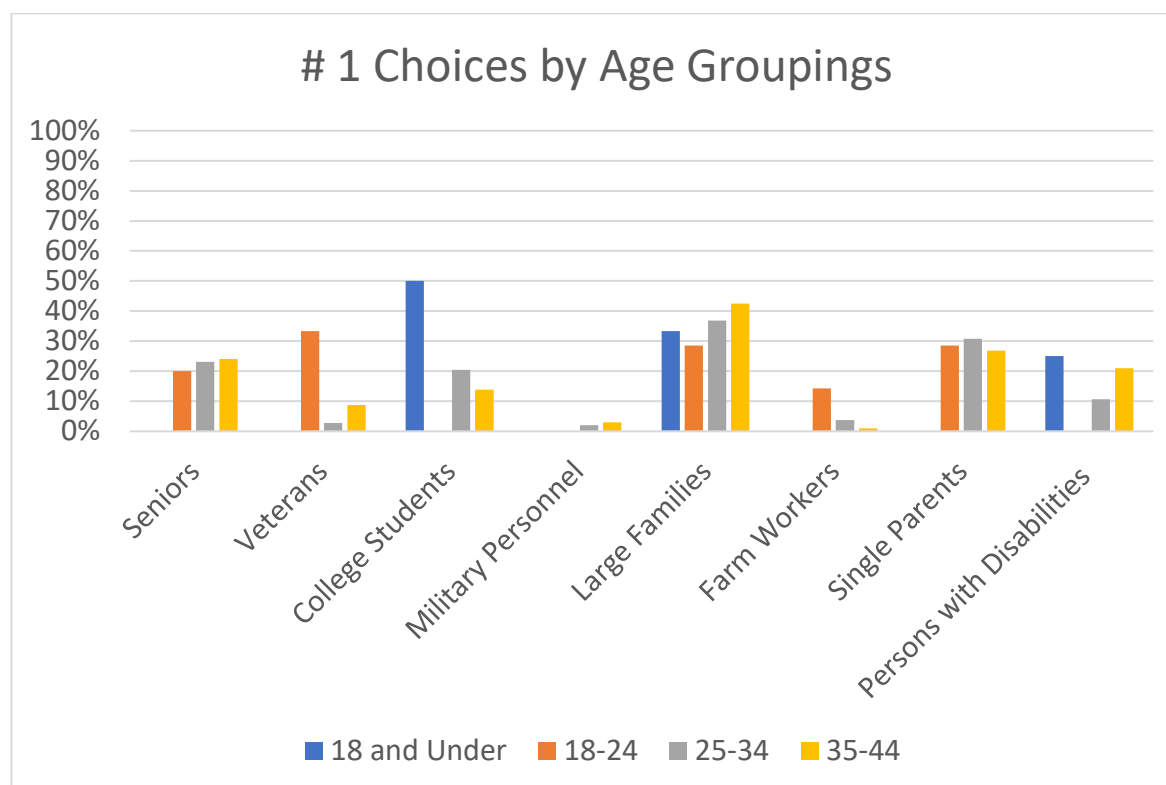


FIGURE 15: MORE HOUSING IS NEEDED FOR (ENGLISH SURVEY RESULTS): (RANK YOUR TOP 3) (QUESTION 5; BY AGE GROUPINGS 18 AND UNDER 44 YEARS OLD; N=784)





HOUSING ELEMENT

FIGURE 16: MORE HOUSING IS NEEDED FOR (ENGLISH SURVEY RESULTS): (RANK YOUR TOP 3) (QUESTION 5; BY AGE GROUPINGS 45 TO 65 AND ABOVE; N=784)

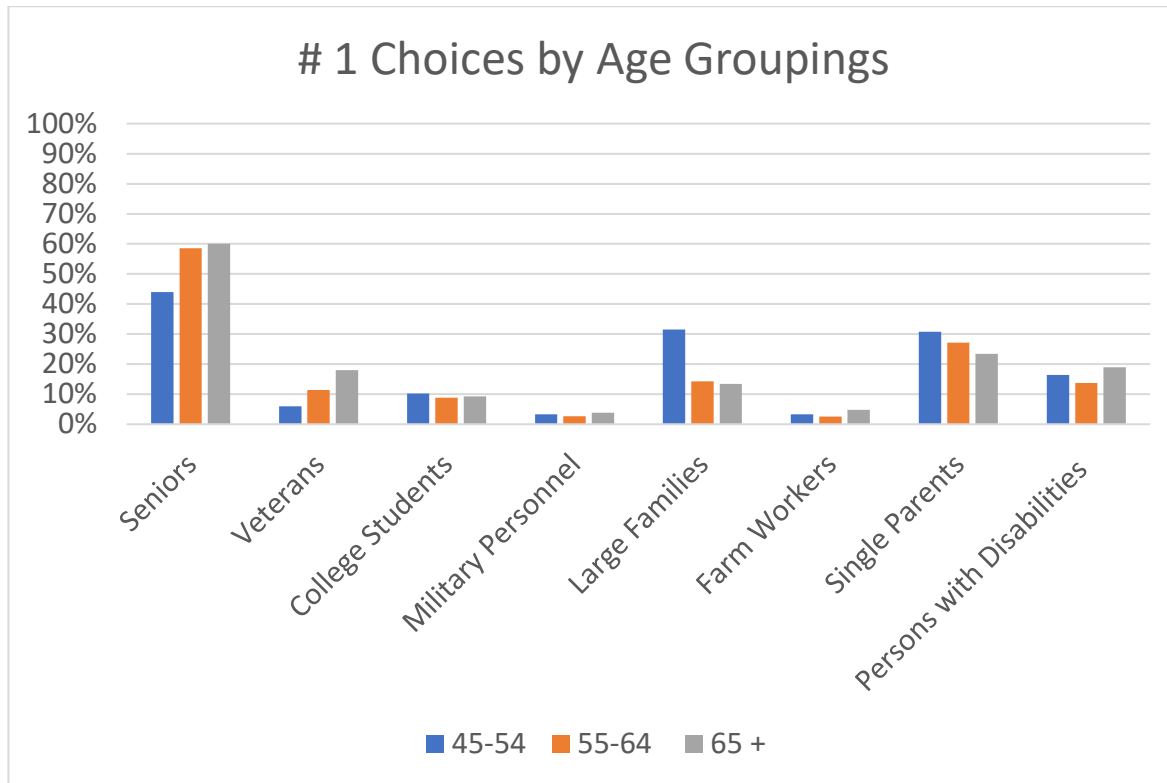


FIGURE 17: PLEASE TELL US HOW IMPORTANT THE FOLLOWING HOUSING ISSUES ARE TO YOU (0 IS UNIMPORTANT, 10 IS VERY IMPORTANT) (QUESTION 6-12)

Average Answers for questions 6-12

6. Ensure that children who grow up in Santa Clara can afford to live in Santa Clara: **8 (N=1,427)**
7. Provide opportunities for people who work in Santa Clara to live in Santa Clara: **8 (N=1,433)**
8. Provide more options for older residents to downsize and stay in the community: **7 (N=1,410)**
9. Streamline the process for new housing construction: **6 (N=1,407)**
10. Provide shelters and transitional housing for homeless families and individuals, along with services that help move people into permanent housing: **6 (N=1,415)**
11. Support programs to help homeowners at risk of mortgage default to keep their homes: **6 (N=1,401)**
12. Establish housing near public transit: **7 (N=1,416)**

FIGURE 18: PLEASE TELL US HOW IMPORTANT THE FOLLOWING PLANNING ISSUES ARE TO YOU (0 IS UNIMPORTANT, 10 IS VERY IMPORTANT) (QUESTION 13-15)

Average Answers for questions 13-17

13. Environmental risks (e.g., wetlands, air quality, flood, etc.): **8 (N=1,287)**
14. Potential traffic and congestion: **8 (N=1,393)**
15. Preserving community character: **7 (N=1,386)**

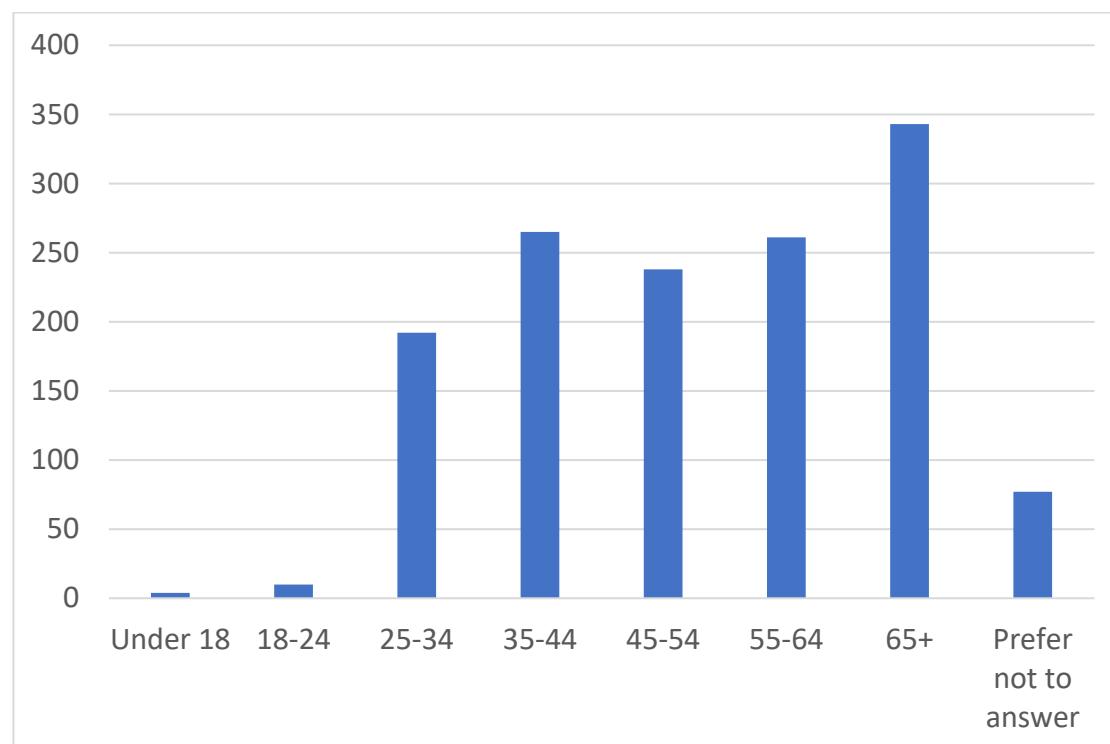
FIGURE 19: ANY OTHER COMMENTS OR ISSUES RELATED TO PLANNING FOR HOUSING IN THE CITY OF SANTA CLARA? (QUESTION 16; N=833)



FIGURE 22: ARE THERE ANY NEIGHBORHOODS IN SANTA CLARA THAT ARE LACKING GOOD ACCESS TO AMENITIES LIKE PARKS, LIBRARIES, GROCERY STORES, SCHOOLS, BIKE LANES, ETC.? (QUESTION 17; CHINESE SURVEY; N=10)



FIGURE 23: HOW OLD ARE YOU? (QUESTION 18; N=1,390)





HOUSING ELEMENT

FIGURE 24: WHAT IS YOUR GENDER? (QUESTION 19; N=1,390)

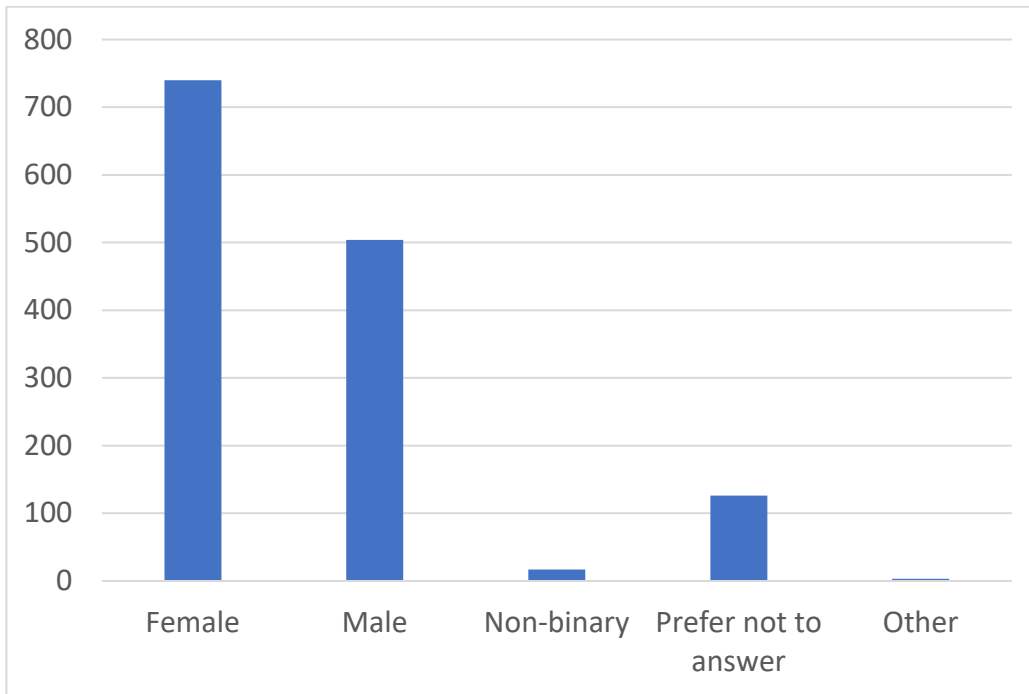
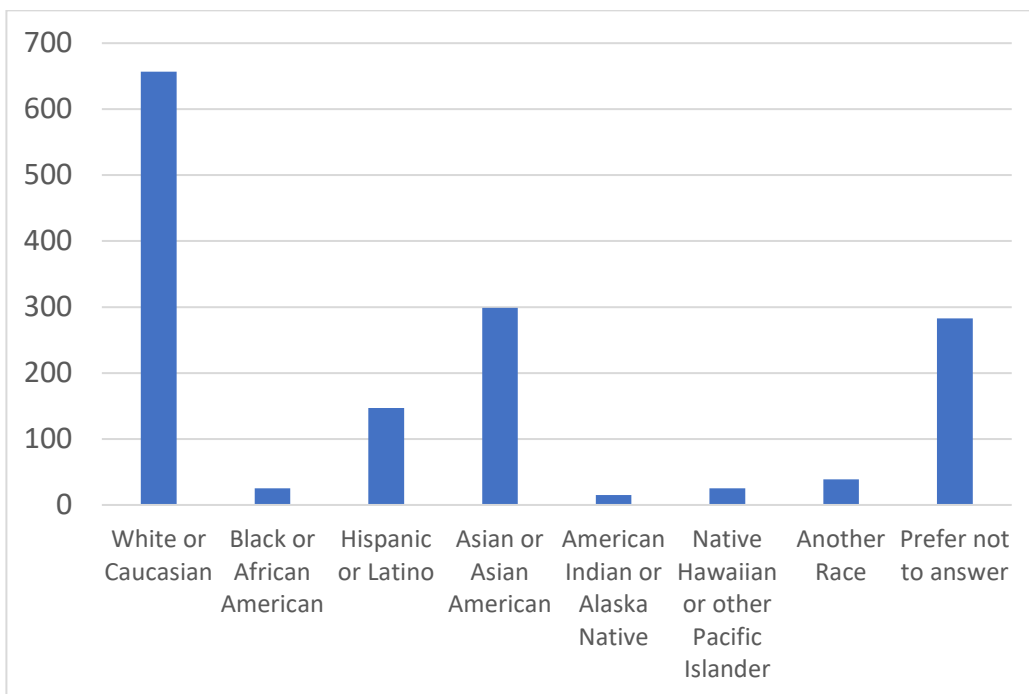
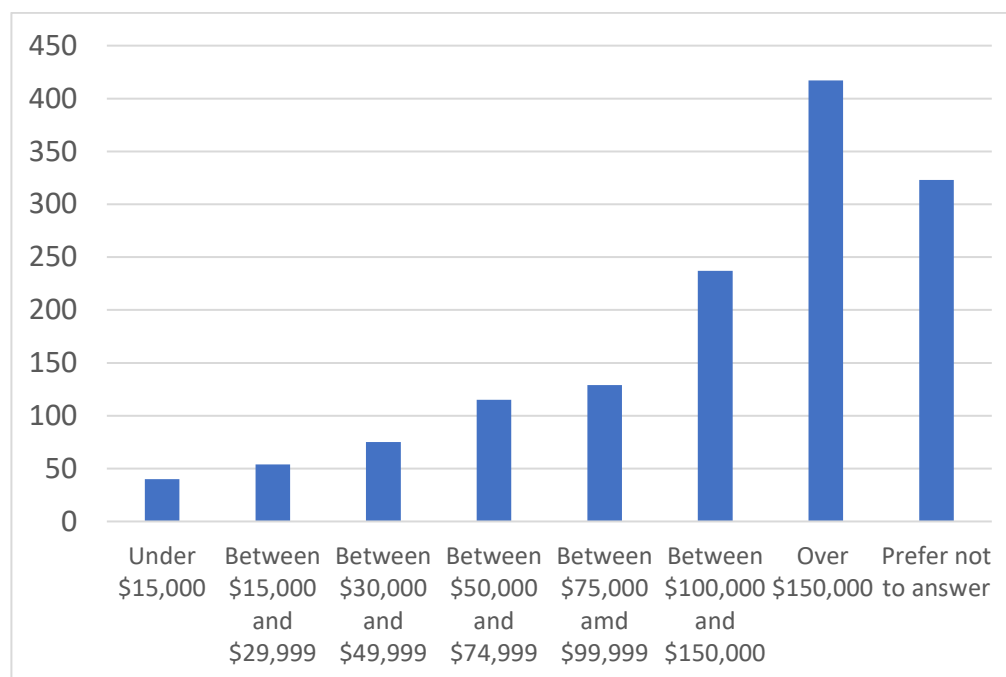


FIGURE 25: HOW DO YOU IDENTIFY YOUR RACE AND ETHNICITY? (QUESTION 20; N=1,390)



**FIGURE 26: WHAT BEST DESCRIBES YOUR ANNUAL HOUSEHOLD INCOME
(QUESTION 21; N=1,390)**



Appendix A-4 Regional Santa Clara County AFFH Related Outreach

In 2019 Santa Clara County and Cities formed a consortium and hired a consultant to develop a regional Assessment of Fair Housing to meet both HUD and HCD requirements. The consortium hired the Lawyer’s Committee for Civil Rights to conduct broad outreach, analysis, and to draft plans. The following is a summary of the interviews and meetings that were held throughout Santa Clara County as part of this early process. These meetings provided important regional context for the AFFH analysis in the Housing Element. The table below lists the meetings by category and the dates on which the meetings were held.

FIGURE 1: REGIONAL SANTA CLARA COUNTY AFFH RELATED OUTREACH (FUNDED IN PART BY CITY OF SANTA CLARA)

Regional Assessment of Fair Housing Meetings	
Meetings	Date
Public Community Meetings	
San José Evening Community Meeting	November 13, 2019
City of Santa Clara Community Meeting	November 14, 2019
San José Daytime Community Meeting	November 16, 2019



HOUSING ELEMENT

Urban County Community Meeting	December 11, 2019
Cupertino Meeting (group with other cities/areas)	December 19, 2019
Central County	January 14, 2020
South County	January 15, 2020
Focus Groups	
Formerly Incarcerated Individuals	December 12, 2019
Homeless Individuals and Families	December 12, 2019
Non-Profit Affordable Housing Developers	December 13, 2019
Women	December 13, 2019
Seniors	January 13, 2020
Central County	January 13, 2020
Health Trust for HIV/AIDS	January 14, 2020
Vietnamese Community	January 15, 2020
South County	January 15, 2020
Filipino Community	January 26, 2020
Schools/Educators	January 27, 2020
Seniors	January 29, 2020
Hispanic Community	January 29, 2020
Stakeholder Meetings	
Project Sentinel	October 1, 2019
San José NAACP	October 1, 2019
Asian Law Alliance	October 2, 2019
Law Foundation of Silicon Valley	October 2, 2019
Latinos United for a New America	October 21, 2019
California Apartment Association	October 21, 2019
The Silicon Valley Organization	October 21, 2019
Catalyze SV	October 21, 2019
Santa Clara County Housing Authority	October 21, 2019
International Children Assistance Network	October 21, 2019
Bay Area Legal Aid	October 22, 2019
Housing Trust Silicon Valley	October 22, 2019
Gilroy Compassion Center	October 22, 2019
City of Gilroy	October 22, 2019
Senior Adults Legal Assistance	October 22, 2019
Day Worker Center of Mountain View	October 22, 2019
Santa Clara County Association of Realtors	October 23, 2019
City of Santa Clara	October 23, 2019
City of Sunnyvale	October 23, 2019

Silicon Valley at Home	October 23, 2019
Bay Area Homeowners Network	October 23, 2019
Sunnyvale Community Services	November 12, 2019
SOMOS Mayfair	November 14, 2019
Amigos de Guadalupe	November 15, 2019
West Valley Community Services	November 15, 2019
Habitat for Humanity	December 10, 2019
Working Partnerships USA	December 11, 2019

Because of the breadth of these efforts and the diverse views of the individuals and organizations consulted, it is difficult to distill the information that these meetings yielded down to a few key themes. This summary attempts to, first, identify the range of topics that the meetings addressed and, second, to identify *either* consensus around those topics *or* the primary alternative views expressed.

Key topics addressed in the community engagement process included:

- Unlawful housing discrimination, including but not limited to racial discrimination, failures to provide reasonable accommodations, source of income discrimination, patterns and trends in housing discrimination, and barriers to effective enforcement.
- Demographic and housing data, including but not limited to how community members interpret data provided by the U.S. Department of Housing and Urban Development (HUD) and sources of local data.
- Zoning and land use laws, including but not limited to their impact on affordable housing development and how they interact with community opposition to affordable housing in certain areas.
- Funding and regulatory programs to create affordable housing, including but not limited to how effective they are at producing units, the income levels they reach, and the bedroom distribution of units produced.
- Supportive services programs for persons with disabilities and unhoused residents, including but not limited to how those programs are coordinated with housing programs.
- The connection between access to opportunity and patterns of segregation, including but not limited to with respect to education, employment, transportation, and environmental health.
- Tenant protections and access to legal services, including but not limited to rent stabilization, just cause eviction protections, and funding for tenant representation in eviction cases.

Housing Discrimination

Consistent with national and statewide trends, participants in the community engagement process reported that disability status is the most common alleged basis of discrimination in



HOUSING ELEMENT

complaints submitted to service providers, the California Department of Fair Employment and Housing and HUD. Among disability discrimination complaints, complaints regarding alleged denials of reasonable accommodation requests are the most common. The fact that disability status is the most frequently complained of type of discrimination does not necessarily mean that it is the most common type of discrimination occurring in the community. Because of the nature of the reasonable accommodation process, it may be more apparent to individuals with disabilities that they have been subjected to discrimination. By contrast, fair housing testing may be necessary to uncover national origin and race discrimination, in particular. Testing conducted by stakeholders confirmed that these types of discrimination remain common. Complaints of source of income discrimination also remain common despite the State's relatively recently enacted prohibition on such discrimination against household with Housing Choice Vouchers suggesting either or both inadequate awareness of the new law and/or inadequate enforcement of it.

Demographic and Housing Data

There was broad consensus that housing costs in Santa Clara County are extremely high and have rapidly become more expensive over time. These changes have not affected all communities equally and Hispanic or Latino, Black, and Vietnamese populations, which tend to have lower income levels, being particularly vulnerable to displacement. In light of income disparities among Asian American and Pacific Islander ancestry groups, participants in the community engagement process emphasized the importance of disaggregated data, which tends to show lower income levels among Vietnamese households but also relatively high rates of homeownership.

Zoning and Land Use

Concern about the extent to which zoning and land use laws play a role in fair housing issues varies significantly depending on one's location within Santa Clara County. Additionally, because zoning and land use laws often have consequences across city boundaries, the greatest concerns that community members and stakeholders articulated tended to pertain to different jurisdictions than those where participants lived, provided services, or engaged in advocacy. In particular, many involved in the community engagement process noted concerns about exclusionary zoning in the West Valley. Developer stakeholders, both of affordable and of market rate housing, also noted that long approval timelines were often as significant of a barrier to their efforts as were underlying regulations. They noted understaffing of planning departments as a principal driver of those delays.

Affordable Housing Programs

There was generally consensus around the need to provide more financial support for affordable housing across jurisdictions in Santa Clara County though there were some differences of opinion about how, if at all, to use regulatory tools like inclusionary housing to produce affordable housing. The details of input about affordable housing funding programs varied in relation to the different landscapes of existing programs in each municipality. Some stakeholders noted the high bar to passage for bond issues, including affordable housing bond issues, reflecting that, while the passage of Measure A was a big step forward for Santa Clara County, a similar bond issue in the City of San José had failed despite a large majority of support. Inclusionary housing was a frequent topic of discussion but not a point on which there was consensus. Most participants who discussed inclusionary housing voiced support for the adoption of requirements in more jurisdictions, deeper affordability targeting, and higher set aside requirements. Some participants opposed these types of changes on the basis of stated concerns about deterring new development.

Supportive Services

Participants in the community engagement process noted geographic unevenness in the availability of supportive services for persons with disabilities and unhoused populations, with communities in South County having less access than in North County. There was also criticism of the overall level of services that are available and concern that there were more adequate services available for chronically unhoused individuals with serious mental illness and/or substance abuse disorders but that other vulnerable populations, including disproportionately Hispanic or Latino unhoused families, domestic violence survivors, and medically fragile individuals, have less access to services. For formerly unhoused individuals living in permanent supportive housing, some expressed concern about whether persons with disabilities have true provider choice.

Access to Opportunity

Many stakeholders and residents expressed concern about public transportation in Santa Clara County. Issues raised include the overall level of service, the lack of service in some areas with high performing school in the West Valley, the lack of service in South County, and high fares on CalTrain. Bus riders mentioned long headways on some bus routes as a problem. Participants reflected on the expansion of BART service into Santa Clara County as both an opportunity and an occurrence that could lead to more displacement. With regard to environmental health, the most significant concerns articulated in the community engagement process related to issues in East and North San José. The connection between patterns of segregation and access to proficient



HOUSING ELEMENT

schools was clear in the data analysis conducted for the Assessment of Fair Housing but was not heavily emphasized by participants in the community engagement process.

Tenant Protections

Tenant protections were a frequent topic of discussion albeit one that sharply divided opinion among participants in the community engagement process. Many participants urged robust tenant protections including rent stabilization with as few exemptions as are allowed by state law, just cause eviction protections, constraints on Ellis Act conversions, and requirements that landlords pay relocation expenses for displaced tenants. Other participants, particularly trade associations representing landlords, strongly opposed most or all of these policies. Small “mom and pop” landlords were particularly likely to express opposition to just cause eviction protections and stated more strenuous objections to that policy than they did to rent stabilization. Legal services providers noted that they did not have the resources or capacity to meet the total need for tenant representation in eviction cases absent additional funding. It is important to note that this input was gathered prior to the COVID-19 pandemic, and there was no opportunity to get input on the various government interventions to prevent evictions during the pandemic.

Appendix A-5 Housing Element Specific Outreach**FIGURE 1: HOUSING ELEMENT SPECIFIC OUTREACH**

	Housing Element Specific Outreach		
	Meeting/Activity	Date	Meeting Type
1	Stakeholders Meeting re: Affordable Housing Ordinance Potential Amendments	March 12, 2021	Zoom
2	City Council Study Session	April 6, 2021	Zoom
3	Let’s Talk Housing Community Meeting	August 30, 2021	Zoom 25 attendees from Santa Clara
4	Planning Commission Study Session	September 22, 2021	
5	City Council Study Session on Homelessness	November 9, 2021	

6	Joint City Council/Planning Commission Study Session 1	April 19, 2022	
7	Homelessness Taskforce Meeting #1	April 28, 2022	
8	Stakeholder Listening Session: Development Constraints Panel	May 5, 2022	Zoom
9	Community Survey (English, Spanish, Chinese, Vietnamese)	May - July 8, 2022	1,651 responses
10	Health and Wellness Fair	May 20, 2022	• 400 attendees, 50-60 people stopped by booth
11	Homelessness Taskforce Meeting #2	May 26, 2022	Zoom
12	June 2022 City Hall News (monthly e-newsletter)	June 2022	
13	Library Pop-Up Meetings (Central and Northside)	June 14th and 17th, 2022	In Person
14	Inside Santa Clara (summer 2022 edition)	June 18-22, 2022	Mailed to over 58,000 residents and businesses
15	Homelessness Taskforce Meeting #3	June 23, 2022	
16	Joint City Council/Planning Commission Study Session 2	July 12, 2022	
17	Housing Choices – Interview with Kalisha Webster	July 22, 2022	
18	Homelessness Taskforce Meeting #4	July 28, 2022	
19	Community Meeting	August 1, 2022	Zoom
20	Community Meeting Forum on Homelessness	August 9, 2022	Zoom
21	Life Services Alternatives (LSA) – Residential Care Home visit and interview with Dana Hooper and residents	August 12, 2022	In Person
22	Meeting with regional Equity Advisory Group	August 23, 2022	Zoom
23	Homelessness Taskforce Meeting #5	August 25, 2022	



HOUSING ELEMENT

24	40 th Anniversary Art & Wine Festival	September 17-18, 2022	In Person
25	Meeting with Riverwood Grove residents (family housing)	September 19, 2022	In Person
26	Meeting with Bill Wilson Peacock Commons residents (Transition Age Youth)	September 20, 2022	In Person
27	Meeting with Liberty Tower residents (Seniors)	September 22, 2022	In Person
28	Homelessness Taskforce Meeting #6	October 27, 2022	
29	Housing Stakeholders Workshop	November 17, 2022	Zoom

Summaries from Select Meetings/Activities

1. March 12, 2021. Stakeholders meeting (Zoom). Approximately 30 individuals representing numerous development companies and related interests participated in a discussion regarding potential amendments to City's Affordable Housing Ordinance. Economic & Planning Systems, Inc. (EPS), the City's consultant, presented at the beginning of the meeting and shared the housing prototypes being analyzed for feasibility with the current Affordable Housing Ordinance and potential changes that would increase the number or depth of affordability the City could consider. A [summary of stakeholder comments](#) is available on the [Housing Element Update page](#).

3. August 30, 2021. Let's Talk Housing Community Meeting (Zoom). A series of countywide meetings about the Housing Element update were held from August to September 2021. Each meeting offered Spanish-language interpretation and provided community members with an introduction the Housing Element update, why it matters, information on the Let's Talk Housing outreach effort and countywide trends. Breakout room discussions with individual cities and towns followed. In total 832 registered for the series. Of those who registered for the series, the majority identified as White and over half were 50 years or older. Over sixty percent lived over 21 years within the county, and over half were homeowners. Santa Clara was part of the August 30th, 2021 introductory meeting, along with Milpitas, Mountain View, and Sunnyvale. This meeting offered Vietnamese interpretation in addition to Spanish, courtesy of the City of Milpitas, and outreach for the meeting was conducted in the three languages. Twenty-five people who registered for the August 30th meeting identified as joining from Santa Clara. Of the Santa Clara participants, all indicated being homeowners and living in single family homes. In the breakout session, participants expressed that they valued living in Santa Clara due to its tight knit community, its rich history, ample job opportunities, and its mix of older and newer neighborhoods. However, participants pointed out older housing is becoming increasingly unaffordable and the general lack of moderate and affordable housing. Older adults, especially those who are moderate or low income, struggle to find housing and many adult children can't live close to their aging parents. Among ideas to address these

needs were: transit-oriented development, increasing allowable densities, and developing an affordable housing program for seniors. Among programs or policies that are already working well, participants shared that specific plans have been an effective tool for development and the El Camino Real Specific Plan in particular is a good example of extensive and comprehensive community outreach.

8. May 5, 2022. Stakeholder Listening Session: Development Constraints (Zoom). The presentation and summary from this meeting is available on the [Santa Clara County Planning Collaborative page](#) and on the [Housing Element Update page](#).

14. June 18-22, 2022. Inside Santa Clara (summer 2022 edition). Full page article on the Housing Element Update. Printed newsletter sent to over 58,000 residents and businesses.

19. August 1, 2022. Community Meeting (Zoom). Community meeting with a presentation on the Housing Plan of the draft Housing Element Update; comments were made regarding tenant protections, housing for persons with disabilities, and increased housing type and tenure. There twelve (12) members of the community that attended representing individuals and advocacy organizations.

22. August 23, 2022. Regional Equity Advisory Group (EAG) Meeting (Zoom). Provided City with general feedback on how to improve engagement with stakeholders and community members. Suggested more direct outreach and importance of going to specific locations to reach targeted populations. Specific comments about locating housing in high/highest opportunity areas of the City and that ELI households experience the highest rates of housing cost burden, making them at the highest risk of homelessness or displacement.

24. September 17-18, 2022. 40th Annual Art & Wine Festival (In-person). 152 attendees participated in a dot exercise to identify what they felt were the biggest challenges/greatest needs facing the City of Santa Clara. Participants were provided different colored dots if they identified as a City of Santa Clara homeowner (111), City of Santa Clara renter (24), if they work (but don't live) in the City of Santa Clara (4), or if they don't live or work in the City of Santa Clara (13). From a list of 13 biggest challenges/greatest needs, the most votes were placed on 1. Addressing homelessness: programs, temporary housing/permanent supportive housing; 2. Housing that is affordable to low/minimum wage earners (e.g., service/retail workers); 3. Providing more homeownership opportunities; and 4. Stabilizing rents (limit large rent increases and large deposit requirements).

Although Santa Clara homeowners and renters identified the same top four biggest challenges/greatest needs, the order was different. For homeowners addressing homelessness received the most votes and stabilizing rents received the fourth most votes. For renters stabilizing rents received the most votes and addressing homelessness received the fourth most votes.

Homeowners: 1. Addressing homelessness; 2. Housing that is affordable to low/minimum wage earners; 3. Providing more homeownership opportunities; 4. Stabilizing rents



HOUSING ELEMENT

Renters: 1. Stabilizing rents; 2. Housing that is affordable to low/minimum wage earners; 3. Providing more homeownership opportunities; 4. Addressing homelessness.

24, 25, 26. September 19, 2022. Riverwood Grove (family housing) Residents Meeting (In-person with 16 adults, 5 children); September 20, 2022. Bill Wilson Peacock Commons (transition age youth) Residents Meeting (In-person with 10 adults, 5 children); September 22, 2022. Liberty Tower (senior housing) Residents Meeting (In-person with 8 adults, 2 staff). Residents of the three housing developments were asked a series of questions, including about their personal experiences/challenges finding and living in affordable/supportive housing, and what they would like to see in terms of priorities for making their housing experience better. In addition to noting specific resources needs and concerns about traffic and safety, residents consistently noted the challenges of barriers to entry (affordability and wait/availability of units).

27. November 17, 2022. Stakeholders Workshop (Zoom). Zoom meeting that reviewed the Housing Element development process using a Mural Board. The meeting was primarily attended by housing and human service providers and advocacy organizations. Attendees mentioned the need for more emergency rental assistance, that state relocation assistance is inadequate, that ELI seniors in income restricted housing are increasingly rent burdened and at risk of homelessness, that seniors need in-person housing navigation assistance that homelessness prevention is less costly than crisis response, that city and county government should work on providing holistic housing services, the need for more social workers and case managers to help clients navigate programs, the need to financially support service providers so they can retain staff, the need to bring air conditioning and filters into affordable housing in response to heat and wildfire smoke climate change, and the need to proactively reach out to Latino/a, Vietnamese, and Filipino/a populations who are disproportionately in need of affordable housing.

Appendix A-6 Public Review Draft Comments

The City of Santa Clara asked for the public's comments on the Housing Element Update. The document to post public comments can be found here: <https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=87#page=18>. Below is a summary of the received comments.

FIGURE 1: HOUSING ELEMENT DRAFT PUBLIC COMMENTS

Date	Name	Comment	Comment Page	Sentiment	Comment link	Response
7/1/2022	Katherine Lanning	I love Santa Clara and would love to volunteer my time helping others in this beautiful city. The Housing Element isn't the place where the city talks about "exploring changes." The Housing Element is where the city talks about the result of the explorations that have already happened, and explains what the changes are and when exactly they will be accomplished.	18	Positive	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=87#page=18	
7/30/2022	Anne Paulson	What changes will you make, and when will they be made? These exceedingly weak explorations do nothing to achieve B-1 (look for sites for affordable housing), B-2 (encourage high density housing), or B-3 (look for funding for affordable housing). They don't do anything for the C goals either, which are about housing for people with special circumstances (disability, female-headed, large family).	22	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=98#page=22	
7/30/2022	Anne Paulson	My suggestion is that you write objectives that would actually achieve your goals, and give time deadlines for them.	22	Negative	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=99#page=22	



HOUSING ELEMENT

7/12/2022	Jennifer	Where is Action #4? I see responsible agency and objectives, but no Action listed or Funding Source.	24	Negative	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=90#page=24
7/30/2022	Anne Paulson	How will you improve the maintenance of student housing, and when?	26	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=100#page=26
7/30/2022	Anne Paulson	When?	26	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=101#page=26
7/30/2022	Anne Paulson	When? Yes, I would really like to see more upzoning/high density development while being conscious of existing transportation, or improving/adding more transportation to support new developments such that they reduce reliance on cars.	26	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=102#page=26
7/29/2022	Nick Leung	cars.	27	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=91#page=27
7/30/2022	Anne Paulson	How?	28	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=103#page=28
7/30/2022	Anne Paulson	How?	28	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=104#page=28

7/30/2022	Anne Paulson	What is the action here? I don't see any action.	33	Negative	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=105#page=33
7/29/2022	Nick Leung	If El Camino becomes densified, I'd like to see dedicated BRT. We should lower the requirements for parking. Parking is poor land use (especially surface parking) which encourages more cars, which is bad for traffic and many reasons. In this area, so much land is already dedicated to cars (4+4 lane expressways, highways, garages, driveways, parking, etc.). We can increase the transportation connectivity and serve lower income residents better by lessening the emphasis on car-driven development.	77	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=92#page=77
7/29/2022	Nick Leung	How can you say with a straight face that development standards aren't a constraint on building, when you require two parking spaces for a studio apartment? You're requiring more space for the cars than for the people.	117	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=93#page=117
7/30/2022	Anne Paulson	An SRO is not employee housing; it's rooms with or without kitchens that are rented separately. Why is the title SRO Housing, when the text doesn't talk about SRO housing?	118	Negative	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=96#page=118
7/30/2022	Anne Paulson	The Housing Element	120	Negative	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=97#page=120



HOUSING ELEMENT

needs to explain how Santa Clara allows Single Room Occupancy housing.

I think this is unfortunate, but it's obvious that this community opposition to densification has created disastrous effects for housing affordability for everyone.

We can fight a lot of this community resistance with transit oriented and mixed use development, though I expect the community will find other ways to oppose it.

7/29/2022 Nick Leung

We should still try. (Page 13.5-23) The Housing Element says that it will do a fee analysis of the four prototypical buildings. And then, it just doesn't. I'd like to know how much the 100 unit building would pay in fees, and I assumed that's what the analysis was going to give me, but it doesn't. Elsewhere in the document (p 13.5-13) it says that a large multifamily project pays \$2156 per unit, but that doesn't look accurate, with all those big permit fees.

132

Negative

<https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=94#page=132>

7/30/2022

Anne Paulson

The document needs to tell us what the fees are for these typical buildings.

134

Negative

<https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=95#page=134>

7/30/2022	Anne Paulson	Sares Regis, 800 units???? Sares Regis is a building company, not an address or an identifier for a project. What project is this?	145	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=106#page=145
7/31/2022	Anne Paulson	Typo This has to be 34 REMAINING parcels. Otherwise the numbers don't add up: half the parcels are already built, 11 are approved or proposed, the remaining 17 are listed for below market housing in the table below.	149	Positive	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=107#page=149
7/31/2022	Anne Paulson	"Full buildout of the area will likely occur by 2038." So the capacity listed in 13.6-7 should be discounted by 50%, since since buildout will occur throughout the Sixth and Seventh RHNA cycles.	158	Negative	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=108#page=158
7/31/2022	Anne Paulson		158	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=109#page=158
7/1/2022	Katherine Lanning	I have great experience in developing business and marketing	173	Positive	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=89#page=173
7/1/2022	Katherine Lanning	I would love to volunteer my time to make this city a beautiful one with parks, museums and individual gardens	189	Positive	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=88#page=189



HOUSING ELEMENT

Thanks for taking the time to visit the LSA Cypress home. Cypress is a licensed residential care home.

As I mentioned I had a chance to review chapter 13.2 Housing Plan and have some comments I'd like to share.

My general comment is that otherwise eligible individuals should not be excluded because they choose to or are already living in a licensed residential care home. These individuals need the support just as much as there counterpart.

Here are some additional comments to specific section in the Housing Plan.

Action 1: The 4th objective – Support low-income housing alternatives such as housing for persons with disabilities should be expanded specifically to include licensed residential care homes.

Action 3: Affordable Housing Incentives and Facilitation. The construction of affordable housing should also include residential care homes as a type of facility and funding to at least the same level per person as multiunit projects.

Action 4: Maintenance of Housing Stock should include residential care homes in the definition of who is qualified to receive maintenance.

8/16/2022	Dana Hooper	n/a	n/a
-----------	-------------	-----	-----



Appendix A-7 Formal Comment Letters

FIGURE 1: HOUSING ELEMENT DRAFT – PUBLIC FORMAL LETTER COMMENTS

Date	Organization	From	Comment(s)
7/27/2022	TransForm	Kendra Ma, Housing Policy Analyst	<p>1. Santa Clara needs to expand on its successful programs and initiate new ones, including: 1) Planning for growth in walkable areas near transit, 2) Reducing the amount of parking mandated for housing and providing incentives and programs to drive less (Transportation Demand Management), 3) Developing sufficient programs to meet affordable home targets of RHNA</p> <p>2. Action 9 - revising zoning standards and potentially reducing/eliminating parking: lacks commitment to specific changes, such as what parking strategies the city will pursue. TransForm's recommendations:</p> <ul style="list-style-type: none">a) Fund a dedicated study of parking reformsb) Require unbundled parking for developments in "Transit Neighborhoods"c) Expand the Transportation Demand Management program <p>3. TransForm applauds policy C-1: cost-effective complement to strategies focused on housing production</p>
7/1/2022	SV@Home	Matthew Reed, Policy Director	<p>1. Concern over the lack of understanding and attention to the broader Housing Element requirements under Affirmatively Further Fair Housing (AFFH) in this Housing Element Update process. Santa Clara should consider the work and policy efforts conducted in Palo Alto to build upon and further the community's anti-displacement goals by addressing housing instability. See letter for specific recommendations.</p>
7/15/2022	Housing Choices		<p>-The City of Santa Clara needs to adopt more programs and policies related to affordable housing with coordinated services for persons living with developmental disabilities, examples include:</p> <ul style="list-style-type: none">a) Integration in typical affordable housingb) Coordination of housing with onsite supportive servicesc) A mix of unit sizesd) Location near public transitc) Deeply affordable housing <p>-Population of adults living with developmental disabilities continues to increase in Santa Clara while beds available in licensed facilities are decreasing</p> <p>-Policy/Programming recommendations include:</p> <ul style="list-style-type: none">1. Produce more extremely low-income housing2. Establish and monitor a quantitative goal3. Target city-owned land to dedicate to affordable housing4. Local density bonus5. Extremely low-income ADUs6. Reduce parking requirements7. Affirmative marketing of physically accessible units



HOUSING ELEMENT

8/8/2022 [SV@Home](#)

Matthew Reed,
Policy Director

- The City of Santa Clara's Draft 6th Cycle Housing Element falls short of the statutory requirement at multiple levels, from its failure to elicit and reflect community input, to its deficient analysis of needs, to its absence of concrete programs with implementation details and timelines
- The sites inventory falls significantly short of the AFFH requirements for this process
- 6th Cycle Housing Element Update is a unique process to fully assess the breadth of housing needs in Santa Clara and identify new tools to address housing constraints and needs
- Opportunity to engage with the full community across incomes
- SV@Home does not find that the Draft Housing Element Update shows evidence of the significant public engagement and community participation required to be compliant with guidance provided by the state
- Lack of sufficient outreach and notification to public/community
- The Housing Element does not a) provide a summary of public comments and b) explain how the comments were considered and incorporated, including comments that were not incorporated.
- The Housing Needs Assessment does not incorporate local knowledge or analysis.
- SV@Home recommends that the City of Santa Clara conduct additional outreach and analysis of the housing needs data in the draft with the goal of better understanding the housing needs of the city as they are experienced by residents of the city
- SV@Home recommends that the assessment of the 5th Cycle Policies and Programs be incorporated into the more comprehensive assessment of housing needs, including concrete opportunities for public engagement around the lessons learned from these prior efforts.
- Lack of connection between needs and solutions in the draft
- SV@Home believes the lack of detail in the policies and programs included in the draft will not prove to be compliant.
- SV@Home believes there is a general failure to substantively address housing instability and displacement experienced by protected classes under AFFH in Santa Clara.
- SV@Home recommends that the City of Santa Clara confirm and remove any sites from the inventory that received building permits prior to June 30, 2022, whether listed as "Under Construction" or "Approved".

8/16/2022 Life Services
Alternatives

Dana Hooper,
Executive Director

General Comment: Otherwise eligible individuals should not be excluded because they choose to or are already living in a licensed residential care home. These individuals need the support just as much as their counterpart.

Action 1: The 4th objective – Support low-income housing alternatives such as housing for persons with disabilities should be expanded specifically to include licensed residential care homes.

Action 3: Affordable Housing Incentives and Facilitation. The construction of affordable housing should also include residential care homes as a type of facility and funding to at least the same level per person as multiunit projects.

Action 4: Maintenance of Housing Stock should include residential care homes in the definition of who is qualified to receive maintenance.

8/1/2022

Anne Paulson

-The Local Processing Explanation Is Confusing and Lacks Necessary Information

-Recommendations:

- For each typical type of building (ADU, single family house, 10 unit multifamily, 100 unit multifamily, big project that requires rezoning), list each step the applicant must go through, in order, with the time it takes, the number of public meetings it requires, the approval body or bodies, and how much it costs

- Make the fees table comprehensible

'-Lack of clarity in the Local Processing Explanation Is Confusing and Lacks Necessary Information

-Recommendations:

- Be more specific about the stage of approval each project is in.
- Discount pipeline project and site inventory capacity for the probability that the project doesn't get built'

-What the Housing Element needs to do is

explain how this capacity is going to be used to build the RHNA in the next eight years. The document needs to be far more clear and explicit about the entire process—the steps, how long the process takes, how much the fees are, what the project mortality is—and where each listed project is along the way

- Santa Clara is nowhere close to building below market units at a rate that would satisfy its Sixth Cycle below market RHNA. So it would make sense for the Housing Element to include programs, with deadlines and milestones, to build more affordable housing.

- The City Needs to Commit to Actual Measurable Actions and Deadlines

-To further encourage all-affordable projects, the city should also

- make all-affordable housing projects buildable by right, with ministerial approval
- remove parking minimums for all-affordable projects
- reduce fees for all-affordable projects

If the city cannot take these actions now for whatever reason, it should identify the reason and commit to taking the action by a certain date within the planning period.



FIGURE 2: FORMAL COMMENT LETTER: TRANSFORM



July 27, 2022

John Davidson, Principal Planner
1500 Waterburton Avenue
Santa Clara, CA 95050

Re: Santa Clara needs transformative parking measures to eliminate development constraints

Dear Mr. Davidson and City Councilmembers,

TransForm is a regional non-profit focused on creating connected and healthy communities that can meet climate goals, reduce traffic, and include housing affordable for everyone.

We applaud Santa Clara's work to date on the Draft Housing Element. However, to meet housing, transportation, and climate goals, Santa Clara needs to expand on its successful programs and initiate some new ones.

In particular, there will need to be an effective mix of:

- Planning for growth in walkable areas near transit
- Reducing the amount of parking mandated for housing and providing incentives and programs to drive less (Transportation Demand Management or TDM)
- Developing sufficient programs to meet affordable home targets of RHNA

We appreciate the consideration of parking as a massive constraint on development in Santa Clara in the Housing Element, especially related to meeting RHNA requirements. Santa Clara currently requires 1 or more spaces per unit in almost all zoning districts, and without any commitment to further reducing required parking, we see a disconnect between understanding parking as a constraint and taking additional action.

We are grateful for Santa Clara's inclusion of Action 9 which aims to revise zoning standards and potentially reduce/eliminate parking minimums. However we worry this action lacks a commitment to specific changes, such as what parking strategies the city may pursue. The need to eliminate or greatly reduce parking minimums is more important than ever. **Each new parking space costs \$30,000-\$80,000.**¹ With inflation driving up construction costs since these

¹
<https://www.showpdogg.com/wp-content/uploads/sites/10/2016/05/Cutting-the-Cost-of-Parking-Requirements.pdf>
560 14TH STREET, SUITE 400, OAKLAND, CA 94612 | T: 510.740.3150 | WWW.TRANSFORMCA.ORG

estimates, two spaces may now cost up to \$200,000. Beyond construction costs, parking takes up essential space that could provide more homes, services, or community amenities.

TransForm recommends that Santa Clara consider the following policies in the Housing Element:

1. Funding a dedicated study of parking reforms, particularly how smart parking policies could positively impact housing, transportation, and other goals.
2. Requiring unbundled parking for certain developments in "Transit Neighborhoods" across various zones; this is easier for building managers to implement now with new parking tech tools like [Parkade](#).
3. Expanding the Transportation Demand Management program by requiring provision of transit pass memberships for each resident.

To show the tremendous transportation and climate benefits of these policies, as well as some of the financial savings for residents and reduced costs for development, we have used our GreenTRIP Connect tool to [create scenarios](#) for a potential future development site at 2203-2215 Tasman Drive. This site is identified in Santa Clara's draft Housing Element Site Inventory as a "Transit Neighborhood" and part of the Tasman East Specific Plan. The California Office of Planning and Research recommends GreenTRIP Connect as a tool to use while developing General Plans and is especially useful during the development of Housing Elements (the tool is free to use and supports better planning at the site and city-wide level).

At 2203 - 2215 Tasman Drive, GreenTRIP Connect projects the following benefits from implementing smart parking, transportation, and affordability strategies:

1. Implementing unbundling and providing transit passes at this site led to a 29% decrease in parking and resident transportation savings of \$4,464 per year.
2. With right-sized parking, incorporating the benefits of good location, unbundled parking and free transit passes, the development would cost \$2,509,500 less to build relative to current parking standards.
3. When combined with 100% affordable housing, these strategies resulted in an incredible 52% reduction in driving and greenhouse gas emissions for the site, compared to the city average.
4. If an affordable development with smart parking strategies were built on this site each household would drive 5,373 less miles per year, creating a greener and safer community.

By eliminating the high costs of parking, homes can be offered at more affordable prices, reducing the number of community members that face extreme housing cost burdens, getting priced out of their community, and/or becoming unsheltered. Residents, new and old alike, will greatly benefit from the reduction in vehicle traffic and associated air pollution (see the scenarios [here](#)).



HOUSING ELEMENT

In addition to parking and transportation strategies, we applaud some of the proposed strategies to support more affordable homes, since these would have such tremendous benefits as noted in the GreenTRIP scenario. One of the most important is Policy C-1 which prioritizes collaborating with services agencies and housing developers to use grants towards more special needs and affordable housing. These programs are a cost-effective complement to strategies focused on housing production.

The GreenTRIP scenarios and the chart on the final page of our Scenario document also show the imperative of programs to accelerate development of affordable homes, like Policy C-1. Not only do these households use transit more and drive much less than average, but success in this area can help provide homes for unsheltered individuals and families. A commitment to these programs will show that Santa Clara is committed to planning for all levels of the 6,506 RHNA BMR units anticipated in this cycle.

Please let me know if you have any questions. TransForm hopes this information explains why Santa Clara should make parking reform a priority in the Housing Element update.

Sincerely,
Kendra Ma
Housing Policy Analyst
kendrama@transformca.org

FIGURE 3: FORMAL COMMENT LETTER: SILICON VALLEY AT HOME

Board of Directors

Kevin Zywick, Chair
United Way Bay Area

Gina Dalma, Vice Chair
Silicon Valley Community Foundation

Candice Gonzalez, Secretary
Sand Hill Property Company

Andrea Osgood, Treasurer
Eden Housing

Shiloh Ballard
Silicon Valley Bicycle Coalition

Bobi Brownstein
Working Partnerships USA

Amie Fishman
High-Profit Housing Association of Northern CA

Ron Gonzales
Hispanic Foundation of Silicon Valley

Javier Gonzalez
Google

Poncho Guevara
Sacred Heart Community Service

Janke Jensen
Habitat for Humanity East Bay/Silicon Valley

Ianikae Klem

Ian Undenthal
MidPen Housing

Jennifer Loving
Destination: Home

Mary Murtagh
EAH Housing


Chris Neale
The Core Companies

Kelly Snider
Kelly Snider Consulting

Jennifer Van Every
The Van Every Group

STAFF

Leslye Corsiglia
Executive Director



July 1, 2022

Submitted via email

Mayor Gillmor and Councilmembers
City of Santa Clara
 1500 Warburton Avenue
 Santa Clara, CA 95050

Dear Mayor Gillmor, Vice Mayor Jain, and Councilmembers Watanabe, Chahal, Hardy, Park and Becker:

RE: Housing Element – Anti-displacement policies to Affirmatively Further Fair Housing

For much of the Housing Element Update process, the focus has been on the scale of the Regional Housing Needs Allocation (RHNA) and the planning process of identifying potential housing opportunity sites to meet these requirements. What we have observed through this process is that there is relatively less understanding and attention to the broader Housing Element requirements under Affirmatively Further Fair Housing (AFFH).

Through state law, AFFH not only requires that the city plan and implement policies that give low-income families the opportunity to live in high resource and affluent areas, but also to adopt policies that address disproportionate housing needs, including displacement risks, of protected classes. In every jurisdiction in the County lower-income renters - disproportionately working families of color, and people on fixed incomes including seniors and people with disabilities - struggle with housing instability due to extreme rent burden and/or overcrowding. In nearly all jurisdictions the impact of displacement can be tracked through changing demographics over time.

The California Department of Housing and Community Development (HCD) issued [guidelines and examples of policies to Affirmatively Further Fair Housing](#). We know that many jurisdictions throughout the County have been looking at policy options to respond to these requirements. Over the last 36 months the City of Palo Alto, in partnership with SV@Home, explored and adopted a number of creative policies designed to protect renters and stabilize families and communities. While the research and policy making process in Palo Alto was pretty extensive, we believe that the Assessment of Fair Housing, and the targeted outreach through the needs assessment, and program/policy development process, likely provide evidence that tenant protections policies are needed, where few policies existed before.

When the policy process began in Palo Alto, the City already had a right to a one-year lease and voluntary landlord/tenant mediation programs. These programs were valuable in some cases, but research and community engagement found that their reach was very limited and the effective enforcement was difficult to assess. However, a number of policies that alone address only a small piece of the need, were actually determined to be complimentary, and together were more likely to have real impact.

350 W. Julian Street, Building 5, San Jose, CA 95110

408.780.8411 • www.svathome.org • info@siliconvalleyathome.org



HOUSING ELEMENT

July 1, 2022

RE: **Housing Element – Anti-displacement policies to Affirmatively Further Fair Housing**

Page 2 of 4

Based on the work in Palo Alto, and a number of other cities, below are a number of policies that the City of Santa Clara should consider, or build upon, to further the community's anti-displacement goals by addressing housing instability.

1) **Rental Survey Program**

Rental survey systems collect basic information on rental housing – changes to tenancies, changes to rents – to empower cities to better understand the challenges faced by renters, and the effectiveness of state and local renter protections.

2) **Tenant Relocation Assistance**

When tenants are displaced due to redevelopment of an existing rental property, or the conversion of that property to another use, this policy would require the property owner to provide assistance to the tenant to help them relocate to another home.

3) **Eviction Reduction Program**

This expands on existing state law (AB 1482: The Tenant Protection Act of 2019), which limits the reasons a landlord can evict a tenant, to additional types of rental properties otherwise not covered by the state. Local jurisdictions can determine which loopholes they would like to close. Currently, state law exempts:

- a) Single family homes not owned by a corporation
- b) Rental property built within the past 15 years, including accessory dwelling units.
- c) Any duplex where the owner occupied the unit before the other unit's tenancy and continues to occupy the unit.
- d) Housing restricted by a deed, regulatory restrictions, or other recorded document limiting the affordability to low or moderate income households.
- e) Mobile homes.
- f) Rental property subject to local ordinances that restrict rent increases to less than 5% plus CPI.
- g) Single family homes where the owner occupies and rents at least 2 bedrooms or units (ADUs and JADUs).
- h) Owner occupied rental properties where the tenant shares bathroom or kitchen facilities with the owner.
- i) Hotels
- j) Rental property provided by non-profit hospitals, organizations such as churches, extended care for the elderly, adult care facilities etc.

4) **Anti Rent-Gouging Policy**

This policy also expands on existing state law (AB 1482: The Tenant Protection Act of 2019), which limits annual rent increases to 5% plus the Consumer Price Index (CPI), by including additional units exempted by state law. Each city can determine which loopholes they would like to close. They can also adopt lower thresholds for maximum increases like San Jose (5%) and Mountain View (CPI). Currently, state law exempts:

- a) Single Family homes not owned by a corporation
- b) Rental property built within the past 15 years, including accessory dwelling units.
- c) Any duplex where the owner occupied the unit before the other unit's tenancy and continues to occupy the unit.
- d) Housing restricted by a deed, regulatory restrictions, or other recorded document limiting the affordability to low or moderate income households.
- e) Mobile homes.
- f) Hotels

July 1, 2022

RE: **Housing Element – Anti-displacement policies to Affirmatively Further Fair Housing**

Page 3 of 4

- 5) **Security Deposit Limit**
This policy would limit the amount that can be charged for security deposits to 1.5 times the monthly rent, and help reduce the financial obstacles to entry for low-income households.
- 6) **Fair Chance Ordinance**
This ordinance would limit landlords' ability to ask applicants about their history of interaction with the criminal justice system, which disproportionately impacts Black and brown households. The policy would not make it illegal for landlords to run background checks on tenants, but would make it illegal to include these questions on the initial rental application.
- 7) **Right to Counsel**
This program would provide tenants with legal assistance in eviction cases. Tenants experiencing housing instability will be better able to enjoy the rights they have, feel more empowered to exercise those rights, and be more likely to stay housed more often.
- 8) **Tenant/Community Opportunity to Purchase (TOPA/COPA)**
The local jurisdiction could provide tenants and/or community-based organizations notice of intended sale of rented property, and provide a specific time period during which the tenants and/or organization have the opportunity to purchase the property. Tenants at risk of being displaced through the sale of a building would be provided with another option to potentially stay in their home. A version of this policy is actively being explored and studied in the City of San Jose.
- 9) **Proactive Rental Inspection**
This establishes a program for code enforcement officers to routinely inspect the rental housing inventory. Through these programs tenants are more likely to be protected from living in substandard housing, and local jurisdictions may catch habitability issues before they become so large that they require "red tag" evictions.
- 10) **Tenant Resource Center**
As a response to the pandemic, the cities of San Jose and Mountain View created Eviction Help Centers where tenants and landlords could receive information on local laws, assistance to apply for rent relief and legal aid. These cities are now looking at making the centers a permanent tenant/housing resource center post-pandemic.
- 11) **City-wide Affordable Rent Portals**
A portal for submitting a common application for affordable housing would save the tremendous amount of time and energy it currently takes to submit the same information on separate applications for each affordable property. A clearinghouse of affordable housing opportunities would also allow the city or county to affirmatively market to vulnerable and hard to reach populations. Current examples of these portals include [San Jose Doorways](#) and [Dalia in San Francisco](#).
- 12) **Increase Multi-lingual engagement with city services and housing opportunities**
Language barriers can keep many communities from accessing the housing opportunities and services they need. Taking steps to increase the city's capacity to engage under multiple languages can improve those outcomes.
- 13) **Net-loss policy**
SB 330 (The Housing Crisis Act of 2019) requires that protected units are replaced one-for-one in cases of the redevelopment of a rental property. These provisions are currently mandated by state law, but local jurisdictions



SANTA CLARA

HOUSING ELEMENT

July 1, 2022

RE: **Housing Element – Anti-displacement policies to Affirmatively Further Fair Housing**

Page 4 of 4

can adopt permanent no-net-loss ordinances. This policy would protect critical sources of housing affordable to lower-income families, and incentivize higher-density infill redevelopment when paired with land use policies to support the feasibility of this redevelopment.

These policies have been developed with consideration of some of the major barriers to housing stability, and causes of displacement, which have been identified through an extensive research and engagement process in Palo Alto, and a few other jurisdictions in the county. Through the housing element, these anti-displacement policies should be considered a comprehensive package of responses to address the complexity of the challenges faced by renters in Santa Clara. For further information and if you have any questions, please feel free to reach out to our Preservation and Protection Associate, Emily Ann Ramos at emily@siliconvalleyathome.org.

Thank you for considering anti-displacement and tenant protections solutions to affirmatively further fair housing.

Sincerely,

Mathew Reed
Policy Director

350 W. Julian Street, Building S, San José, CA 95110
408.780.8411 • www.svathome.org • info@siliconvalleyathome.org

FIGURE 4: FORMAL COMMENT LETTER: HOUSING CHOICES



DEVELOPMENTAL DISABILITIES COMMENTS FOR

CITY OF SANTA CLARA HOUSING ELEMENT

Introduction to Developmental Disabilities

California state law defines developmental disabilities as a disabling condition that emerged before age 18, is expected to be lifelong, and is a substantial disability attributable to major impairment of cognitive and/or social functioning. A substantial disability is defined as “significant functional limitations...in three or more of the following areas of major life activity, as appropriate to the person’s age: Receptive and expressive language; Learning; Self-care; Mobility; Self-direction; Capacity for independent living; and/or Economic self-sufficiency”. Developmental disabilities include intellectual disability, autism, Down syndrome, epilepsy, cerebral palsy, and other disabling conditions similar in their functional impact to an intellectual disability. A developmental disability by definition does not include conditions that are solely physical, psychiatric or learning disabilities (Section 4512 of the Welfare and Institutions Code and Section 54000-54002 of the Code of Regulations). Under California’s Lanterman Developmental Disabilities Services Act and the U.S. Supreme Court’s 1999 decision in *Olmstead v. L.C.*, people with developmental disabilities are entitled to receive community-based services that allow them to live in the least restrictive community setting of their choosing. In California these services are accessed through the state’s 21 Regional Centers and funded by the Department of Developmental Disabilities. This shift to de-institutionalization has led to the closure of the most restrictive segregated settings and to the requirement, under SB 812, that local jurisdictions in their Housing Elements assess and plan specifically for the housing needs of people with developmental disabilities who receive supportive services from the Regional Center in order to live in their home community.

Demographic and Other Trends Affecting the Housing Needs of People with Developmental Disabilities

Higher Proportion of Adults with Developmental Disabilities in the City of Santa Clara. The City of Santa Clara is home to 612 people with developmental disabilities (Table ____). Because the previous Housing Element 2014-2023 reported the population by zip codes there is overlap with surrounding jurisdictions which makes it difficult to estimate the change in population in the City of Santa Clara alone, however throughout Santa Clara County there has been a 14% increase in the population with



HOUSING ELEMENT

developmental disabilities between 2015-2021, much faster than the general population. The table below shows that the City of Santa Clara requires more housing options for adults with developmental disabilities than other parts of the County because a greater proportion of City of Santa Clara's residents with developmental disabilities are adults (67%) as compared to the County's total population (63%).

Table ____ City of Santa Clara and Santa Clara County Population with Developmental Disabilities

Age	City of Santa Clara	City of Santa Clara % of total	Santa Clara County	Santa Clara County % of total
Under age 18	204	33%	4016	37%
18 and older	408	67%	6737	63%
Total	612	100%	10753	100%

Note: The City of Santa Clara population with developmental disabilities was provided by San Andreas Regional Center as of November 2021. The Santa Clara County population with developmental disabilities is based on county-level data published by the Department of Developmental Services as of June 2021.

Living Arrangements of City of Santa Clara Adults with Developmental Disabilities. Assessing the housing needs of adults with developmental disabilities is of particular importance because as they age the adults will require a residential option outside the family home, whereas the family home is the preferred living option for children with developmental disabilities. As of June 2021, San Andreas Regional Center (SARC) reported that the family home is the most prevalent living arrangement for the City of Santa Clara's adults with developmental disabilities, with 66% of adults continuing to live in the family home. Only 16% of City of Santa Clara adults with developmental disabilities have successfully transitioned to living in their own apartment, more than half of whom live at inclusive properties Estancia Apartments and Rivertown Apartments where a total of 38 units are set-aside for people with developmental disabilities who receive on-site supportive services to help them remain stably housed. As of 2021, 17% of City of Santa Clara adults were reported to be living in licensed care facilities, however, as discussed below, opportunities for adults to live in a licensed care facility are declining throughout the County. This decline is fueling the need for the City of Santa Clara to increase opportunities for adults with developmental disabilities to live in affordable housing with supportive services in order to decrease risk of homelessness or displacement when a parent or family member is no longer able to provide housing.

Decline in Licensed Care Facilities in Santa Clara County. The Department of Developmental Services reports that between September 2015 and June 2021, 5% fewer people with developmental disabilities were able to be housed in licensed care facilities (including Community Care Facilities, Intermediate Care Facilities, and Skilled Nursing Facilities) in Santa Clara County, even as the adult population in need of residential options outside the family home grew. This trend increases the need for affordable housing options coordinated with supportive services funded by the San Andreas Regional Center. The County's reduced supply of licensed care facilities increases the likelihood that City of Santa Clara adults with

developmental disabilities will be forced out of the county when their parents are no longer able to house them--unless there is a significant improvement in access to affordable housing.

Table ____ Living Arrangements of Adults with Developmental Disabilities in City of Santa Clara compared to Santa Clara County

Adult Living Arrangements	City of Santa Clara	City of Santa Clara Percent of Total	Santa Clara County	County Percent of Total
In the family home	269	66%	4,362	65%
Own apartment with supportive services	66	16%	756	11%
Licensed Facilities	69	17%	1,525	23%
Other (including homeless)	4	1%	94	1%
Total Adults	408	100%	6,737	100%

Note: The City of Santa Clara population with developmental disabilities was provided by San Andreas Regional Center as of November 2021. The Santa Clara County population with developmental disabilities is based on county-level data published by the Department of Developmental Services as of June 2021.

Longer Life Spans. Between September 2015 and June 2021, the Department of Developmental Services reports that the number of Santa Clara County residents with developmental disabilities age 62 and older grew by 35% (Table ____). This increase is generally attributable to well-documented gains in life span, rather than to migration of seniors with developmental disabilities into Santa Clara County. Longer life spans mean that more adults with developmental disabilities will outlive their parents and family members who are by far the single largest source of housing for people with developmental disabilities in the City of Santa Clara. Because older adults currently occupying a licensed facility in Santa Clara County are living longer, this reduced rate of occupant turnover, coupled with closing facilities, will make it more difficult for middle-aged and senior adults who have been living with aging parents in the City of Santa Clara to transition to licensed care when their parents pass away.

Displacement. Notwithstanding 20% growth in Santa Clara County's total population of adults with developmental disabilities, the Department of Developmental Services has documented a 15% decline in the age group 42 to 51 in Santa Clara County between September 2015 and June 2021 (Table ____). In light of gains in life expectancy, this loss can reasonably be attributed to displacement from the county because of the lack of residential living options (either licensed facilities or affordable housing) when an elderly family caregiver passes away or becomes unable to house and care for the adult. Displacement takes a particular toll on adults with developmental disabilities who depend on familiarity with transit routes and shopping and services, as well as support from community-based services and informal networks built up over years of living in Santa Clara.

Increase of Autism Diagnosis Reflected in Increase in Adults in their 20s and 30s. Growth in the Santa Clara County adult population with developmental disabilities correlates with a well-documented annual



HOUSING ELEMENT

increase in the diagnosis of autism that began in the mid-1980s and did not level out until after 2015. The cumulative impact of this trend is already seen in the growth of the Santa Clara County population age 18 to 41 with developmental disabilities and will continue into the future. This trend has significant implications for housing needs among City of Santa Clara adults with developmental disabilities during the period of the 2023-2031 Housing Element, as the population can be expected to continue to grow at a faster rate than the general population.

Table __ Changes in Age Distribution of Adult Population in Santa Clara County

Age	2015 Number	2021 Number	% Change
18 to 31	2,767	3,515	27%
32 to 41	891	1,212	36%
42 to 51	833	705	-15%
52 to 61	702	744	6%
62 plus	416	561	35%
Total adults	5,609	6,737	20%

Source: Department of Developmental Services Quarterly Report by County.

Higher Rates of Physical Disabilities. People with developmental disabilities are more likely than the general population to have an accompanying physical disability. Almost 20% of Santa Clara County residents with developmental disabilities have limited mobility, and 15% have a vision or hearing impairment. The need for an accessible unit coupled with the need for coordinated supportive services compounds the housing barriers faced by those with both cognitive and physical disabilities.

Ineligibility for Many Affordable Rental Units. Some adults with developmental disabilities depend on monthly income of around \$1,000 from the Supplemental Security Income (SSI) program, pricing them out of many of the limited number of affordable housing units in the City of Santa Clara. Those with employment tend to work part-time in the lowest paid jobs and also struggle to income-qualify for many of the affordable housing units now available for rent in the City of Santa Clara.

Transit-Dependent. Most adults with developmental disabilities do not drive or own a car and many rely on public transit as a means to integration in the larger community.

Best Practices for Inclusion of People with Developmental Disabilities in Typical Affordable Housing

The City of Santa Clara can meet the housing needs of people with developmental disabilities by adopting policies and programs to continue promoting their inclusion with coordinated services in typical affordable housing. The following considerations should guide the City of Santa Clara in this pursuit:

- **Integration in typical affordable housing** is a priority in order to affirmatively further fair housing for a group that has historically experienced no alternatives to segregated living and also to counter the displacement of adults with developmental disabilities out of the City of Santa Clara.
- **Coordination of housing with onsite supportive services** funded by the San Andreas Regional Center should be encouraged. These fully funded coordinated services provide a supported pathway for people with developmental disabilities to apply for and retain an affordable apartment and are often as essential to a person with a developmental disability as a physically modified unit is to a person with a mobility, vision, or hearing impairment.
- **A mix of unit sizes** at inclusive housing properties would address the needs of those who require live-in aides, want to live with roommates or partners, or have children.
- **Location near public transit** would accommodate the transit-dependency of most adults with developmental disabilities.
- **Deeply affordable housing is needed by people with developmental disabilities.** Per HCD guidance, the City should plan for at least 1,484 Extremely Low Income (ELI) units, or 50% of its Very Low Income RNHA allocation. ELI units are particularly important to people with developmental disabilities, and some of the City's planned production of ELI units should be subject to a preference for people with developmental disabilities.

Policy and Program Recommendations

The City of Santa Clara has a responsibility not simply to assess the housing needs of people with developmental disabilities but also to create and implement policy, zoning, program and other changes that make it more feasible for affordable housing developers to include people with developmental disabilities in their housing plans. Since its last Housing Element, the City of Santa Clara approved two new inclusive affordable housing projects, 2330 Monroe Street and The Meridian, which will create 26 new apartments subject to a preference for people with developmental disabilities who need coordinated onsite services funded by the San Andreas Regional Center. However, the city still has a long way to go in meeting the housing needs of adult residents with developmental disabilities. Over the course of the next Housing Element cycle the need for deeply affordable housing paired with coordinated supportive services will continue to increase as the population of adults with developmental disabilities continues to grow and outlive aging parents while beds available in licensed facilities continue to decline. In order to meet the increasing needs of the City's population of people with developmental disabilities, policies and programs that explicitly promote inclusion of people with developmental disabilities in affordable housing with coordinated services provided by the San Andreas Regional Center are required. Below are examples of programs and policies which can help to prevent homelessness or displacement of these vulnerable residents as well as to provide opportunities for people with developmental disabilities to live in the least restrictive setting of their choosing in line with the Olmstead Decision.

- **Affirmatively Further Fair Housing by Producing More Extremely Low-Income Housing.** Not only is disability the highest-ranked source of Fair Housing complaints in Santa Clara County, a



HOUSING ELEMENT

growing body of Santa Clara County data indicates that Black, Indigenous and other People of Color (BIPOC) with disabilities experience higher rates of severe rent burden than either BIPOC without disabilities or whites with disabilities. Such disparities in the experience of severe rent burden, housing instability and displacement from the City of Santa Clara are attributable to the shortage of housing priced to be affordable to Extremely Low Income (ELI) households with incomes below 30% of Area Median Income. Multiple barriers including high land and construction costs and limited funding make it difficult for developers to produce Extremely Low Income units that would help to reduce such disparities. Local zoning and other policies that lead to increased production of Extremely Low Income units, as well as city staff dedicated to implementing and overseeing those policies, will Affirmatively Further Fair Housing in the City of Santa Clara and decrease displacement and homelessness for the most at-risk residents, including people with developmental disabilities.

Sample Language: The City of Santa Clara's plans to Affirmatively Further Fair Housing for Black, Indigenous and other People of Color, particularly those with disabilities, shall include policies designed to increase the production of Extremely Low Income units, as well as adequate staff capacity to implement and monitor the impact of these policies.

- **Establish and monitor a quantitative goal.** Tracking the City's success in housing people with developmental disabilities is essential to determine whether policies and programs are having an effect in overcoming historic patterns of discrimination and exclusion of people with developmental disabilities from affordable housing. A goal of 100 new Extremely Low-Income housing units for City of Santa Clara residents with developmental disabilities over the period of the 2023-2031 Housing Element would represent meaningful progress towards the total unmet housing need of this special needs group.

Sample Language: The City of Santa Clara shall monitor progress towards a quantitative goal of 100 new Extremely Low Income housing units that are subject to a preference for people with developmental disabilities needing the coordinated services provided by San Andreas Regional Center to live inclusively in affordable housing.

- **Target City-Owned Land, Land Dedicated to Affordable Housing under the Inclusionary Ordinance and City Housing Funds to Achieve City-Specific Priorities.** City-owned land, land dedicated to affordable housing in lieu of providing affordable units under the inclusionary ordinance, and city housing funds are often essential to the development of affordable housing that is financially feasible in the City of Santa Clara. In creating guidelines for the scoring of any competitive proposals for these scarce resources, the City should grant additional points to affordable housing projects that address the housing needs of the residents who are most difficult to house under existing state and federal housing finance programs—for example, by prioritizing proposals with a higher number of Extremely Low Income units or that make a percentage of units subject to a preference for identified categories of special needs people who would benefit from coordinated onsite services, including but not limited to people with developmental disabilities who benefit from services of the San Andreas Regional Center.

Sample Language: In publishing requests for competitive proposals for any city-owned land, land dedicated to affordable housing under the city's inclusionary ordinance or city housing funds, the City of Santa Clara shall grant additional points to proposals that address the city's most difficult to achieve housing priorities, by, for example, providing a greater number of Extremely Low-Income units or committing to make a percentage of the units subject to a preference for people with special needs who will benefit from coordinated onsite services, such as people with developmental disabilities who receive services from the San Andreas Regional Center.

- Local Density Bonus.** Like many state and federal housing finance programs, the state density bonus program incentivizes the production of housing at the Low and Very Low Income level. But in counties like Santa Clara County, with one of the highest Area Median Incomes in the state, these incentives have the effect of making much of the available affordable housing out of reach for residents on fixed incomes (including seniors and persons with disabilities) or who are working in low wage jobs and are thus unable to meet minimum income requirements to afford the rent assigned to the Very Low Income category. The City of Santa Clara should add additional local incentives to the state density bonus law to make it more responsive to the impact of Santa Clara County's high Area Median Income on the affordability of housing for City of Santa Clara residents who are Extremely Low Income, including special needs populations, for example, people with developmental disabilities.

Sample Language: In addition to implementing the California density bonus statute, the City shall provide an additional local density bonus, incentives, and/or concessions for housing projects that include at least 5% of the units for people at the Extremely Low-Income affordability level, including special needs populations, for example, people with developmental disabilities.

- Extremely Low-Income Accessory Dwelling Units.** As part of a larger plan to increase the supply of Accessory Dwelling Units (ADUs), the City should consider creating a financing and/or incentives program for homeowners who build ADUs and rent them for at least 15 years at Extremely Low Income rent levels or that are subject to a preference for identified categories of special needs people who would benefit from coordinated onsite services, including but not limited to people with developmental disabilities who benefit from services of the San Andreas Regional Center.

Sample Language: Subject to funding availability, the City shall devise a program of financing and/or incentives for Accessory Dwelling Units subject to rent restrictions for at least 15 years at Extremely Low-Income rent levels and/or target special needs populations, such as people with disabilities who will benefit from coordinated services provided by the San Andreas Regional Center.



HOUSING ELEMENT

- **Reduce Parking Requirements for People with Developmental and Other Disabilities.** Because most adults with developmental disabilities do not drive or own a car, the City of Santa Clara should revise its ordinances to limit parking required for affordable units for people with developmental disabilities to .5 space for each affordable studio or 1 bedroom unit and 1 space for an affordable 2 bedroom unit or larger. A similar reduction is recommended for affordable, physically accessible units.

Sample Language: The City of Santa Clara shall encourage the inclusion of people with developmental and other disabilities in affordable housing by recognizing their transit dependence and establishing lower parking ratios for units targeted to people with developmental and other disabilities than would otherwise be required for affordable housing.

- **Affirmative Marketing of Physically Accessible Units:** Developers are allowed to affirmatively market accessible units to disability-serving organizations in Santa Clara County (i.e., San Andreas Regional Center, Housing Choices Coalition for Person with Developmental Disabilities, Silicon Valley Independent Living Center and others) but rarely take this step. Affirmative marketing is particularly needed by people with developmental disabilities who, because of cognitive, communication and social impairment, often rely on housing navigation services funded by the San Andreas Regional Center to learn about and apply for affordable housing.

Sample Language: 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 of Santa Clara shall 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.

FIGURE 5: FORMAL COMMENT LETTER: SILICON VALLEY AT HOME





HOUSING ELEMENT

August 8, 2022

Re: Draft Housing Element Update

Page 2 of 6

state Department of Housing and Community Development. Towards that end, SV@Home is submitting the following comments.

Outreach, Community Input, and targeted Affirmatively Furthering Fair Housing (AFFH) outreach as the foundation of the Housing Element Update process

We do not find that the Draft Housing Element Update shows evidence of the significant public engagement and community participation required to be compliant with guidance provided by the state. The importance of this public engagement and community participation to the development of the Housing Element Update is central to development of each component of the document from the assessment of needs, to the development of policies and programs to address those needs, to the strategies employed to select housing opportunity sites to fulfill the RHNA.

Community Participation means a solicitation of views and recommendations from members of the community and other interested parties, a consideration of the views and recommendations received, and a process for incorporating such views and recommendations into decisions and outcomes. To address these requirements, the housing element must describe meaningful, frequent, and ongoing public participation with key stakeholders. Under AB 686 (Affirmatively Furthering Fair Housing) this requires going beyond simply giving the public an opportunity to provide input and should be proactively and broadly conducted through a variety of methods to assure access and participation of those most impacted by the City's housing needs and least likely to have access to standard modes of community input.

The summary of community engagement efforts and community participation was not included in the Draft Update released for public comment. City Staff explained that an online community survey had closed after the draft was released and that stakeholder meetings were ongoing. During the joint Planning Commission and City Council study session held on July 12th, staff described outreach efforts targeted at increasing participation in the online survey but very little about the process or substance of any additional engagement and solicitation of input. Without the detailed description of this effort it is difficult to assess, but it is clear that the most robust community participation instrument, the online survey, was employed after the draft needs assessment, proposed policies and programs, and sites inventory had been completed.

SV@Home, which had established itself as an interested stakeholder in 2021, and participated in a community meeting and provided comment at an earlier council study session, was notified of the online survey through email on June 20th. I, as a resident of Santa Clara who had expressed an interest in receiving Housing Element Update process updates, received a link to the survey on June 27th. SV@Home was not notified that the draft had been released on July 1. Nor were we notified that a joint Planning Commission and City Council study session would take place on July 12th. We received no notification of earlier study sessions either.

While the participation in the online survey appears to have been significant, it comes too late to inform the draft and is predictably skewed towards older, wealthier, whiter, homeowners. These limits of the survey instrument were discussed at some length during the study session, as was the more specific need to understand the specific needs and priorities of lower-income renters and LatinX respondents. Lower-income, Black and LatinX, renters have been shown to have been disproportionately impacted by the multiple dimensions of the housing crisis. Their perspectives must be disaggregated in community input to reasonably understand their needs. Everybody's input is important, but this falls short of the targeted - early and often - engagement required under AFFH.

350 W. Julian Street, Building 5, San José, CA 95110
408.780.8411 • www.svathome.org • info@siliconvalleyathome.org

August 8, 2022
 Re: Draft Housing Element Update
 Page 3 of 6

As a result, the Housing Element does not a) provide a summary of public comments and b) explain how the comments were considered and incorporated, including comments that were not incorporated.

Housing Needs Assessment and Evaluation of Past Housing Element Performance

The Housing Needs Assessment does not incorporate local knowledge or analysis. The Housing Needs Assessment is almost entirely taken from the data packet of demographic information provided by the Association of Bay Area Governments. Given the limited outreach and public engagement prior to the release of the Draft Housing Element Update, it has been impossible for the public, or appointed and elected officials, to understand the assessment of needs presented in a way that allows them to comment on or expand the city's understanding of local housing needs. As a result, there is no evidence of any analysis of need, beyond the rudimentary assessment provided by the Association of Bay Area Governments (ABAG), incorporated into the Housing Needs Assessment. ABAG's materials state that the final step for completing the Housing Needs Assessment when using the provided data packets is to "Make meaning and find insights: Add the analysis that contextualizes this data for your jurisdiction and connects housing needs to policies and programs."

SV@Home recommends that the City of Santa Clara conduct additional outreach and analysis of the housing needs data in the draft with the goal of better understanding the housing needs of the city as they are experienced by residents of the city. We would draw particular attention to the AFFH requirement to assess the differences in experiences by race/ethnicity and across neighborhoods within the city. We find little effort to connect the data points showing that LatinX residents, and other members of protected classes, face greater incidents of housing instability and overlapping housing needs.

Lack of engagement on the assessment of the 5th Cycle Housing Element Update. The City failed to solicit and integrate public comment into the assessment of programs and policies adopted in the 5th Cycle Housing Element update. Neither was this assessment process integrated into the study sessions before the Planning Commission and/or the City Council. Partially as a result, what is provided is a less than thorough assessment of the progress made and the barriers that impeded progress during this period. In most cases, as is the pattern with the draft discussion of the proposed 6th Cycle programs and policies, the programs are simply noted as "ongoing" rather than attempting to assess the impact of specific actions taken. This is both less than we believe is required of this process and a missed opportunity to learn from some of the significant successes. City staff may feel it has a handle on these details, but failure to share through this process in a way that is publicly accessible (and accessible to a mostly new Planning Commission and City Council) is not compliant with state guidance and will significantly hamper ongoing public engagement.

SV@Home recommends that the assessment of the 5th Cycle Policies and Programs be incorporated into the more comprehensive assessment of housing needs, including concrete opportunities for public engagement around the lessons learned from these prior efforts. If most of these policy actions will be continued or have yet to be completed and are rolled over into the 6th Cycle update, it is critical that their impact be carefully reviewed. We believe this is a clear process requirement of this update.

Policies and Programs - Housing Needs Constraints and AFFH. An essential component of the Housing Element Update process is making connections for the plan to be responsive to its own findings – assessing the existing housing needs, and those that may be specific to enumerated populations under AFFH



HOUSING ELEMENT

August 8, 2022

Re: Draft Housing Element Update

Page 4 of 6

requirements, and then showing the work and closing the loop connecting them to specific policies and programs to be implemented in response. We have discussed our concerns with the outreach and engagement meant to inform this process. We have noted the limited assessment of existing programs. Subsequently, we struggle to track the connection between needs and solutions in the draft.

As with many other jurisdictions that we are tracking and reviewing across the state, we believe the lack of detail in the policies and programs included in the draft will not prove to be compliant. From our reading each of the policy and program areas presented are listed as “ongoing.” There appear to be two pieces of policy work that are on a scheduled timeline: the comprehensive Zoning Code update initiated in 2014, which we understand as being part of the state mandate that there be objective development standards in place; and the update of the Inclusionary Housing program. With those exceptions, the proposed policies and programs lack a clear definition of work to be undertaken, provide no clear prioritization, and turn to “study,” “consider,” “continue to monitor,” and “review,” rather than fully operationalizing the steps that will be taken. This portion of the update clearly falls short of the standards and guidance provided by the state and by numerous supporting documents made available from multiple sources over the past year. We have seen the lack of detail, discrete action steps, and clear timelines referenced in multiple HCD comments to another jurisdiction.

We would note that we believe there is a general failure to substantively address housing instability and displacement experienced by protected classes under AFFH in Santa Clara. We would also note that this failure was acknowledged during the study session held on July 16th, during which a number of “Potential Programs to Consider” were presented. Ideally, this is not the time to be taking the temperature of decision makers on key policies. These policies should be crafted in response to identified needs and public engagement. If an elected body is presented with a policy solution to address an identified need and chooses not to pursue that policy, this may or may not risk a non-compliant Housing Element. We believe, however, that identifying existing needs and developing specific policy and programmatic responses is required as a part of this process, and it falls to city staff to show their work and explain their recommended course of action.

SV@Home recommends that the content and description of policies and programs to respond to housing needs and constraints should be made significantly more specific in order to be actionable during the 6th Cycle.

Housing Opportunity Sites Inventory

Avoid Double-Counting 5th Cycle Completed Projects into the 6th Cycle Pipeline Inventory. The pipeline projects listed under Table 13.6-2 have sites labeled as “approved” or “Under Construction” but they do not specify whether they have approved building permits. In an initial review we found major projects listed as “Approved” that were already well under construction having received building permits. Similarly, a number of projects listed as “Under Construction” were found on the Annual Progress Report (APR) lists in prior years. The narrative provided on page 13.6-3 defines “Under Construction” projects as sites with anticipated completion and occupancy permits after June 30, 2022. According to the 5th Cycle Housing Element APR rules, however, projects that acquired their building permits within the planning period would count as progress

August 8, 2022
 Re: Draft Housing Element Update
 Page 5 of 6

towards a jurisdiction's RHNA.¹ As such, projects that have acquired their building permits would not qualify to be included in this 6th Cycle Draft Housing Element sites inventory.

SV@Home recommends that the City of Santa Clara confirm and remove any sites from the inventory that received building permits prior to June 30, 2022, whether listed as "Under Construction" or "Approved".

Overdependence on a few Specific Plan Areas, lacking assessment of development expectations. In general, cities should use an AFFH lens when initially reviewing sites to potentially include in the inventory and should not place too much reliance on sites in major plan areas located in lower-resourced areas. The sites inventory places 95% (4,590 units) of its lower-income sites in three major plan areas north of El Camino Real, all within moderate resourced areas with some sites abutting low-resourced areas. The ability of affordable developments to be competitive for state and federal financing will be more limited in moderate-resource areas. Beyond the failure to plan in higher-resourced areas, this over reliance raises a number of concerns: phasing for specific plan areas is often already planned and is subsequently better known than the potential timing for infill development sites; similarly, the developers' intent for specific sites – commercial, market-residential, affordable-residential – are also more generally more transparent. For these reasons the standard of evidence of likely development in these plan areas should reflect this knowledge.

Failure to incorporate AFFH requirement to spread lower-income sites throughout the City, including higher-resourced areas. The sites inventory should identify and analyze the viability of placing lower-income housing units in high opportunity areas. The highest resourced areas in Santa Clara are located in the southerly sections of the city, which have the highest incomes and schools with the top ranking education scores, as shown in Figure 13.3-22 and Figure 13.3-23. Although investing in lower-resourced areas should also be a priority, **the City of Santa Clara must show efforts to provide access to affordable housing options throughout the entire city.** While located in more areas throughout the city, the distribution of pipeline projects alone does not satisfy this AFFH requirement, as they only make up 15% of the lower-income inventory and are not predominantly located in high resourced areas.²

Obvious areas of opportunities to build lower-income housing in higher-resourced areas would be in Santa Clara's downtown or near Stevens Creek Boulevard, which have General Plan Focus Areas. However, the sites inventory does not take advantage of these potential higher-resourced areas to meet AFFH, nor does the Draft Housing Element discuss why these particular areas should not be included. It is particularly disturbing that the prevalence of neighborhood opposition to new housing development is explicitly used as an explanation of why the sites inventory focuses entirely on plan areas where fewer people currently live. This is explicitly contrary to the state direction that the expectation of AFFH requirements open up areas and neighborhoods that have previously been exclusive and created barriers to economic integration and expanded access to opportunity.

¹ [HCD, Housing Element Annual Progress Report Instructions \(pg 91\)](#)

² [Site Inventory Guidebook](#), Attachment: Summary of New Laws Referenced in the Guidebook (pg. 39): "AB 686 requires jurisdictions to conduct an assessment of fair housing in the housing element, **prepare the housing element site inventory through the lens of affirmatively furthering fair housing**, and include program(s) to affirmatively further fair housing."



HOUSING ELEMENT

August 8, 2022

Re: Draft Housing Element Update

Page 6 of 6

SV@Home recommends that the City of Santa Clara update the sites inventory to include sites in the General Plan Focus Areas located in high and highest resourced areas so as to achieve AFFH requirements of providing affordable housing opportunities throughout the city.³

HCD's base level standards for the sites inventory are high. Lower-income sites must: 1) provide substantial evidence, such as market conditions and stronger development trends than what was provided, that indicate existing non-residential use will be discontinued or will not be an impediment to future residential development; 2) demonstrate that there is clear developer interest in redeveloping each site within the planning period, and 3) incorporate potential constraints (e.g. environmental, parking, open space, etc.) into the inventory's realistic capacity calculations consistent with HCD's Site Inventory Guidebook (per Government Code section 65583.2(c)(2)). An explanation of the factors leading to these conclusions in the site-specific analysis should also be provided.

The policies and programs listed in the Draft Housing Element need to support the efforts to successfully build-out the sites inventory. Chapter 13.6 should summarize and be clearly reflective of the outcomes from the proposed policies and programs outlined in Chapter 13.2 of the Housing Plan in order to make the identified sites viable for development without foreseeable constraints, within the planning period.⁴

Closing

The City of Santa Clara's Draft 6th Cycle Housing Element falls short of the statutory requirement at multiple levels, from its failure to elicit and reflect community input, to its deficient analysis of needs, to its absence of concrete programs with implementation details and timelines. We also believe the sites inventory falls significantly short of the AFFH requirements for this process. We encourage HCD to issue findings that the Draft does not substantially comply with Housing Element Law and direct the City to correct these and other deficiencies which may be identified. We would acknowledge again, that City staff have made it clear that they intend to continue to solicit input and refine the current draft prior to final review and approval by the City Council. We believe this provides opportunities to address deficiencies, but these actions will need to be significant.

Sincerely,

Mathew Reed
Director of Policy

³ [Site Inventory Guidebook](#), Background/Purpose, Housing Element Site Inventory Requirements (pg. 3): "When determining sites to include in the inventory to meet the lower income housing need, HCD recommends that a local government **first identify development potential in high opportunity neighborhoods**. This will assist the local government in meeting its requirements to affirmatively further fair housing and ensure developments are more competitive for development financing... A site inventory and analysis will determine whether **program actions** must be adopted to "make sites available" with appropriate zoning, development standards, and infrastructure capacity to accommodate the new development need."

⁴ ABAG Summary of Housing Element Reviews: Sites Inventory (pg. 3): "For non-vacant sites, most jurisdictions will need to provide substantial evidence that the existing use is not a barrier to redevelopment. This is a high bar and will require both *site-specific* analysis and a summary of development trends. Additionally, jurisdictions should **summarize policies and programs that support residential development on proposed redevelopment sites**"

FIGURE 6: FORMAL COMMENT LETTER: LIFE SERVICES ALTERNATIVES

From: Dana Hooper <dhooper@lsahomes.org>
Sent: Tuesday, August 16, 2022 1:54 PM
To: Adam Marcus <amarcus@santacclaraca.gov>
Cc: Hadiyah Fain <hfain@lsahomes.org>
Subject: comments to the 23-31 Housing Element

Hi Adam,

Thanks for taking the time to visit the LSA Cypress home. Cypress is a licensed residential care home.

As I mentioned I had a chance to review chapter 13.2 Housing Plan and have some comments I'd like to share.

My general comment is that otherwise eligible individuals should not be excluded because they choose to or are already living in a licensed residential care home. These individuals need the support just as much as there counterpart.

Here are some additional comments to specific section in the Housing Plan.

Action 1: The 4th objective – Support low-income housing alternatives such as housing for persons with disabilities should be expanded specifically to include licensed residential care homes.

Action 3: Affordable Housing Incentives and Facilitation. The construction of affordable housing should also include residential care homes as a type of facility and funding to at least the same level per person as multiunit projects.

Action 4: Maintenance of Housing Stock should include residential care homes in the definition of who is qualified to receive maintenance.

Best,

Dana



O: 408.728.9573

F: 408.762.1348

**FIGURE 7: FORMAL COMMENT LETTER: ANNE PAULSON**

From: Anne Paulson <anne.paulson@gmail.com>
Sent: Monday, August 01, 2022 4:11 PM
To: John Davidson <JDavidson@SantaClaraCA.gov>; HousingElements@hcd.ca.gov
Subject: City of Santa Clara Housing Element Update: Approvals and Pipelines

Dear John Davidson,

Santa Clara's Housing Element shows a city that is developing, and has a lot of areas where multifamily housing can be built. But the description of the approval process is vague and confusing, and parcels and projects are listed in the pipeline and the site inventory without regard to whether they will actually end up being permitted in the next eight years.

The Local Processing Explanation Is Confusing and Lacks Necessary Information

The section on Local Processing and Permit Procedures, (p 13-5,14 ff), is confusing and omits information. For each kind of project—single family housing, small multifamily, large multifamily, huge multi-acre project that requires a General Plan change—the reader wants to learn

- What are the steps, in order, from the initial approach to the city to the granting of a building permit, including General Plan amendments if those are required?
- How long does each one take, and which ones can be combined?
- How many public meetings are required?
- How much does each step cost?
- What is the average and the median time for each step, and what is the average and median time from initial approach to the granting of the permit?
- What is the average/median cost for each type of project?
- How many public meetings, in total, are required for each type of project?
- What fraction of proposed projects end up getting entitled?
- What fraction of proposed projects end up getting building permits?

The document does not give this information.

The document talks about various types of review (Architectural Review, Planned Development, etc.) but doesn't make clear their order, and which ones can be done in parallel. Table 13.5-8 promises Fee Analysis Scenarios, but they are not provided. They need to be provided, and another scenario should be added: a huge project (like 3905 Freedom Circle) that requires a General Plan Amendment.

The fees list, Table 13.5-9, is unclear. Since the document promises a fee analysis for a typical 100 unit project but doesn't provide it, I tried to compute that fee, but I couldn't. For example, the Plan Review Fee is 75% of the Building Permit Fee, but what counts as the Building Permit Fee? Moreover the Santa Clara numbers in the fee table, Table 13.5-6, seem to be much smaller than the fees listed in Table 13.5-9. And it seems that the Technology Fee computations could be streamlined if the city would just multiply the underlying numbers by 1.0337, rather than having readers attempt to work it out.

Recommendations:

- For each typical type of building (ADU, single family house, 10 unit multifamily, 100 unit multifamily, big project that requires rezoning), list each step the applicant must go through, in order, with the time it takes, the number of public meetings it requires,

the approval body or bodies, and how much it costs. I should be able to look at that table for each building type and know how long the whole process takes and how much the whole process costs.

- **Make the fees table comprehensible.** Combining fees might help.

Pipeline Projects and the Site Inventory

Turning to the pipeline projects, Table 13.6-2, I find similar unclarity. A total of 6753 units are listed in Approved projects. This is confusing: if Santa Clara has 6753 approved units in multifamily projects, why did the city only issue 2403 building permits in the last 4 years according to their 2018-2021 Annual Project Report? Why are all these projects not getting building permits, when they seem ready?

The answer is Santa Clara's definition of "approved." Normally, *approved* means a building has been approved on that parcel or those parcels, and the applicant now has only to draw up plans and submit them for a building permit. But that's not true here; instead, *approved* appears to mean that the project is somewhere along the approval cycle, not that it has been fully entitled and the next step is applying for a building permit.

Santa Clara has been rezoning entire industrial areas into neighborhoods for housing. Apparently, a project counts as approved if it's somewhere on the path from the initial General Plan change to the approval of an individual building. For an example, look at 3905 Freedom Circle (Greystar), listed as approved for 1,075 units. The Freedom Circle Focus Area Plan was only adopted in June 2022 (Table 13.6-4). Seemingly, Greystar has to go through some more approval steps before it can apply for a permit. What are those steps? This is what the document should explain, but does not. It looks like there's no certainty that Greystar is going to end up putting up buildings at 3905 Freedom Circle, though.

Instead of counting each approved project for the full number of units, Santa Clara should assume a mortality rate; neighboring San Jose assumes that only 60% of proposed projects will survive to be built. Moreover, the document needs to first make explicit what the full approval path is, and then explain where each project is along that path.

For Proposed projects, the situation is worse, and the projects are even more vague. A project called "Sares Regis" is listed for 300 units. Where is this project to be located? Sares Regis is a developer, not a location. The proposed projects should be listed with more specificity, and should be discounted for the substantial probability that they will not end up going forward.

The Site Inventory should also be discounting projects for the probability they won't be built. On p. 13.6-17, the document says, "full buildout of [the Tasman East Specific Plan] will likely occur by 2038." Then it proceeds to list every single available parcel in Tasman East in the Site Inventory. Since the site will be built out during the next two RHNA cycles, the capacity of those parcels should be discounted by 50%. The Site Inventory lists all the available parcels in the Lawrence State Plan and the Patrick Henry Drive Specific Plan area too, again without discounting. They should be discounted since the city knows the areas will not be built out in the Sixth RHNA Cycle projection period.

Recommendations:

- Be more specific about the stage of approval each project is in.



HOUSING ELEMENT

- Discount pipeline project and site inventory capacity for the probability that the project doesn't get built.

Conclusion

There is plainly a lot of capacity in Santa Clara. What the Housing Element needs to do is explain how this capacity is going to be used to build the RHNA *in the next eight years*. The document needs to be far more clear and explicit about the entire process—the steps, how long the process takes, how much the fees are, what the project mortality is—and where each listed project is along the way. If the analysis shows that Santa Clara is not on target to make the RHNA, then the steps need to be sped up and/or the process needs to be altered so that a higher fraction of projects end up surviving the process and receiving building permits.

Sincerely,

Anne Paulson

From: Anne Paulson <anne.paulson@gmail.com>
Sent: Monday, August 01, 2022 4:13 PM
To: John Davidson <JDavidson@SantaClaraCA.gov>; HousingElements@hcd.ca.gov
Subject: City of Santa Clara Housing Element Update: Programs for Affordable Housing

Dear John Davidson,

Like most jurisdictions, Santa Clara has been building mostly Above Moderate housing. Like other jurisdictions, Santa Clara is nowhere close to building below market units at a rate that would satisfy its Sixth Cycle below market RHNA.

So, it would make sense for the Housing Element to include programs, with deadlines and milestones, to build more affordable housing. A few policies look like they might be relevant:

Policy B-1: Identify potential sites for affordable housing units in areas of "high opportunity" as defined by the state.

Policy B-4: Identify and potentially designate surplus land that can accommodate low, very-low, and extremely low-income residential development.

Policy D-1: Continue to identify and apply for funding that supports the development of housing for lower-income and special needs households.

These policies look promising. But then, taking a look at the actions, they aren't actions, just more goals. Or they are vague statements of what the city plans to "explore," instead of what the city plans to do.

The City Needs to Commit to Actual Measurable Actions and Deadlines

The city must commit itself to take real actions, by concrete deadlines.

In Action 2: Affordable Housing Ordinance (p. 13.2-4) instead of "explor[ing] changes to the affordable housing ordinance," the document should *make* changes *by a certain time*. The same goes for changing the affordability requirements for moderate income inclusionary units: the document should say what the change will be and when it will be made.

In Action 1: Provision of a Variety of Housing Types (p. 13.2-4) instead of saying the city will *support* SROs, the housing element should *legalize* SROs and plan for a certain number of SRO units to be built by the end of the planning period. The same goes for homes for disabled people and seniors: the document should *allow* and *plan* for such special-need housing.

In Policy B-4 (p13.2-1) Instead of "potentially designating surplus land," the city should designate surplus land, or commit to doing so by a date certain.

To further encourage all-affordable projects, the city should also

- make all-affordable housing projects buildable by right, with ministerial approval
- remove parking minimums for all-affordable projects
- reduce fees for all-affordable projects

If the city cannot take these actions now for whatever reason, it should identify the reason and commit to taking the action by a certain date within the planning period.



SANTA CLARA

HOUSING ELEMENT

Santa Clara needs to build more affordable housing. The Programs part of the Housing Element needs to say how it plans to achieve this, with specific actions and deadlines.

Sincerely,

Anne Paulson

FIGURE 7: FORMAL COMMENT LETTER: PARTNERSHIP FOR THE BAY'S FUTURE

August 24, 2022



Submitted by email to: Adam Marcus, amarcus@SantaClaraCA.gov

RE: Santa Clara's 6th Cycle Housing Element Update

Dear City of Santa Clara:

Thank you for the opportunity to provide input on the city of Santa Clara's housing element. Your work supporting your community to meet its housing needs is critical in addressing the current housing affordability crisis. We understand that at this moment in the housing element process, your jurisdiction is waiting for comments from HCD. As such, we request that you incorporate additional equitable housing policies into your draft housing element during your next revision. We offer the attached equitable policy resources as well as potential technical assistance from Baird + Driskell Community Planning ("B+D") if your jurisdiction is interested in this level of support.

The Partnership for the Bay's Future ("PBF") is a public-private-nonprofit partnership working to create a more livable Bay Area in which diverse people of all walks of life can afford to live and thrive. To do so, we address the challenges of housing and protecting tenants through the support of equitable policy change as well as investing in the production and preservation of affordable housing.

In consultation with government leaders, housing policy experts, and communities, we have compiled a list of equitable housing priorities that we request Santa Clara incorporate into the new housing element. In some cases, these are policies that housing element law requires jurisdictions to address as a potential action or recommendation in their housing elements, but in other cases, these are suggested policies that we are raising up as PBF's equitable planning priorities. We are including the following resources for your review and consideration:

- a slide deck covering each priority policy idea, with template language for your jurisdiction to consider,
- examples of places where the policy has been adopted, and
- additional links and resources.

We believe that Santa Clara's current efforts already include some of the listed policies, which we applaud. We also believe that all Bay Area communities can take more steps to make their housing elements more equitable. The attached summaries can be used as resources for staff as they communicate with both decision makers and the public, and we are happy to provide further assistance to incorporate these policies into your housing element as well as help draft talking points that can be tailored for local implementation.

We believe the following policies can play an important role in meeting the requirements of this housing element and supporting thriving communities, and we request that Santa Clara include them in the next housing element draft:



HOUSING ELEMENT

1. Favorable Zoning and Land Use
 - Make multifamily infill easier to develop
 - Allow, require or encourage multifamily housing in more places
 - Allow or encourage missing middle housing in single-family neighborhoods
 - Provide incentives for affordable housing development
 - Provide incentives for affordable ADUs and "missing middle" housing
2. Accelerating Production Timeframes
 - Streamline development approvals and environmental review process for multifamily housing
 - Streamline permitting process for multifamily housing
3. Reducing Construction and Development Costs
 - Ensure local requirements are not making development more expensive without requisite benefits
 - Actively support the use of modular and factory-built construction methods
4. Providing Financial Subsidies: Generate new or dedicate existing revenue for affordable housing
5. Advocating for Rent Control and Just Cause for Eviction Policies
 - Adopt or update rent stabilization policies
 - Adopt or update just cause eviction policies
6. Advocating for Community Land Trusts (CLTs): Support the formation and operation of community land trusts
7. Advocating for Inclusionary Zoning and Impact Fees: Create or review/update inclusionary housing (including in-lieu fees) and commercial linkage fee requirements
8. Inventory of Sites: Ensure that land is equitably zoned for multifamily housing, especially in high-opportunity areas

If you have any questions, please contact me (krusso@sff.org) and our colleagues at Baird + Driskell (Kristy Wang, wang@bdplanning.com, and Joshua Abrams, abrams@bdplanning.com). We will follow up with you shortly to see if we can provide further support, including technical assistance from the B+D team to further explore some of these policies.

Thank you again for the opportunity to provide input into Santa Clara's housing element. We appreciate your efforts to address the housing needs of Bay Area and California residents.

Sincerely,

Khanh Russo
Vice President of Policy and Innovation
San Francisco Foundation

FIGURE 8: FORMAL COMMENT LETTER: CARPENTER'S UNION 405



CARPENTERS LOCAL UNION 405

SERVING SANTA CLARA & SAN BENITO COUNTIES

10/11/2022

Santa Clara City
Attn: John Davidson, Principal Planner
1500 Warburton Avenue
Santa Clara, CA, 95050
Via Email [John.Davidson](mailto:John.Davidson@scclga.org)

Re: Santa Clara City Draft Housing Element Update

Dear John Davidson,

Please accept these comments on the above referenced Housing Element Update on behalf of the members of Carpenters Local 405, which represents working men and women of Santa Clara City and Santa Clara County. We appreciate the opportunity and look forward to working together on this important endeavor.

To meet the urgent need for housing units outlined in the State's Regional Housing Needs Allocation (RHNA), as well as the policy goals outlined in the Santa Clara City Housing Element and larger General Plan, it is vital that Santa Clara City support efforts to build the local construction workforce. Local 405 has long been at the forefront of training the next generation of construction workers, opening pathways to the industry for diverse and traditionally underserved populations, and embracing new technologies and delivery methods to expedite the construction of much needed housing.

Without an intervention, Santa Clara City is not likely to reach its RHNA housing allocation. The City needs to build 11,632 housing units¹ over the next 8 years. The current Draft Housing Element has higher Moderate, Low, and Very Low Income housing unit allocations than the 5th Cycle Goals, all of which were not met. Critically, since 2014, only 16% of Very Low-Income, 26% of Low-Income, and 14% of Moderate-Income housing goals were met.² These issues raise concerns for the City's ability to meet affordable housing goals: a top concern for various city stakeholders, including community members.

There are practical solutions to address Santa Clara City's housing shortages. To support the policy goals of the Housing Element, Local 405 is requesting that the City add local hire and apprenticeship requirements to the final Housing Element for all residential construction projects larger than 10 units. The standards Local 405 is proposing in this comment letter would help to ensure greater benefits for the broader community, help ensure that construction labor

¹ Page 13.4-14: Draft Santa Clara City 2023-2031 Housing Element (Table 13.4-11: Regional Housing Needs Allocation)

² California Housing Partnership: Progress of Santa Clara County towards 5th Cycle RHNA

2102 ALMADEN ROAD, SUITE 115 • SAN JOSE, CA 95125 • (408) 269-7316 FAX: (408) 264-7650

CSCEC 40508



HOUSING ELEMENT

needs are met, and guarantee that new residential development projects within the City are making needed investments in the region's skilled construction industry workforce.

The City Should Bar Issuance of Building Permits Unless Each Future Residential Development of 10 units or Above has a Viable Apprenticeship Program and Local Hiring Requirements

The Carpenters propose the following additions to the Municipal Code of Santa Clara City for any residential project larger than 10 units

Permitting requirements in the Municipal Code of Santa Clara City.

A person, firm, corporation, or other entity applying for a building permit under the relevant section of the Municipal Code of Santa Clara City, California shall be required to comply with the apprenticeship, healthcare, and local hire requirements of the Housing Element and General Plan. Failure to comply with the requirements set forth in this section shall be deemed a violation of this article.

Apprenticeship:

For every apprenticeable craft, each general contractor and each subcontractor (at every tier for the project) will sign a certified statement under penalty of perjury that it participates in a Joint Apprenticeship Program Approved by the State of California, Division of Apprenticeship Standards **OR** in an apprenticeship program approved by the State of California Division of Apprenticeship Standards that has a graduation rate of 50% or higher and has graduated at least thirty (30) apprentices each consecutive year for the five (5) years immediately preceding submission of the pre-qualification documents. The contractor or subcontractor will also maintain at least the ratio of apprentices required by California Labor Code section 1777.5.

Local Hire Policy:

Contractor will be required to provide documentation that the contractor will hire a minimum of twenty-five percent (25%) of staff for any job classification with more than four (4) employees employed whose primary residence, which is not a post office box, is, and has been, within Santa Clara county within 180 days of the expected date of issuance of the Notice to Proceed for the project.

The housing infrastructure in Santa Clara City has not kept up with increased employment opportunities. From 2010-2035, there are projected to be 30% more job openings than available housing in Santa Clara County.³ Additionally, 40.3% of people who work in Santa Clara

³ Page 3-23: Santa Clara 2010-2035 General Plan

County do not live in the County.⁴ Half of the workers who can afford to live in Santa Clara City are cost-burdened by housing expenses.⁵ As Santa Clara City grows, a lack of diverse and affordable housing prevents workers from being able to live and work in the City. A commitment to supporting local residential construction workers and apprenticeship programs can bridge the gap between economic opportunities and suitable housing options in Santa Clara City.

Local 405 has implemented many programs that will enable the City to meet the General Plan and Housing Element goals. These programs include a robust Joint Apprenticeship Training Committee, vigorous utilization of apprentices in Santa Clara City, healthcare coverage for all members and their families, and innovation within the construction industry.

Joint Apprenticeship Training Committees (JATC's), such as the Carpenters Training Committee for Northern California (CTCNC), are a proven method of career training built around a strong partnership between employers, training programs and the government. This tripartite system is financially beneficial not only for the apprentice, but is a major benefit for the employer and the overall economy of Santa Clara City. The CTCNC monitors current market conditions and adjusts the workflow of apprentices to meet the needs of the community, heading off any shortage of skilled workers. History has demonstrated that strong utilization of apprentices throughout the private sector helped California builders produce millions of units of housing.

CTCNC recruitment strategies include robust diversity and inclusionary outreach programs, such as pre-apprenticeship, with proven results in representative workplaces and strong local economies. It is imperative that our underserved populations have supportive and effective pathways to viable construction careers, while ensuring that employers are able to find and develop the best and brightest talent needed to thrive in a competitive economy.

Employer-paid health insurance plans for our members and their families provides preventative services to stay healthy and prevent serious illness. Timely care reduces the fiscal burden for our members and their families, and significantly reduces the utilization of safety-net programs administered by Santa Clara City and Santa Clara County.

Embracing new technologies and delivery systems will have a significant impact on the construction industry, particularly the residential sector. Increasing housing delivery methods reduces project durations and provides Santa Clara City residents housing sooner. Local 405 is at the forefront of ensuring that new construction technologies deliver those benefits while also creating work opportunities for those already in the trades as well as those looking to begin a construction career.

Local 405 is in a unique position to address many of the key ideas outline in Santa Clara City Housing Element Update. By investing in the training and utilization of apprentices, performing

⁴ United States Census Bureau: OnTheMap (Inflow/Outflow Job Counts for Santa Clara County in 2019-latest available data)

⁵ Page 13.3-3: Draft Santa Clara City Housing Element (2023-2031)



HOUSING ELEMENT

outreach to ensure that the workforce closely mirrors the demographics of our local community, providing employer-paid healthcare for our members and their families, and promoting innovation in the residential construction sector, Local 405 is prepared to assist in closing the affordability gap in Santa Clara City and the Bay Area. We look forward to engaging City staff and elected leaders as the Housing Element moves forward and working cooperatively to bridge the needs of the City with the skills and tools of Local 405.

Thank you for your time and consideration of these comments.

Sincerely,

A handwritten signature in blue ink that reads "Samuel Munoz".

Samuel Munoz
Senior Field Representative
Carpenters Local 405

CC:

planning@santacalaraca.gov

planning.commission@pln.sccgov.org

FIGURE 9: FORMAL COMMENT LETTER: HOUSING ACTION COALITION



THOMAS B. MAYHEW
tmayhew@fbm.com
D 415.954.4948

November 30, 2022

Via E-mail

John Davidson
Principal Planner
E-Mail: JDavidson@SantaClaraCA.gov

Re: City of Santa Clara Draft Housing Element
Comments of Housing Action Coalition

Dear Mr. Davidson:

On behalf of the Housing Action Coalition,¹ we write to comment on the draft 2023-2031 Housing Element for the City of Santa Clara.

The draft Housing Element does not meet the City's obligation to plan and provide for affordable housing. Absent substantial revisions, it may be found in violation of state law.

A. The City Includes Sites That Are Not "Suitable And Available," Because They Do Not Have A "Realistic And Demonstrated Potential" For Redevelopment During The Planning Period To Meet The Need For Housing.

One of the most concrete aspects of any housing element is the inventory of land "suitable and available" for residential development to meet the city's regional housing need by income level. Government Code § 65583(a)(3); HCD Housing Element Site Inventory Guidebook at p. 1 (HAC Appendix Tab 1). The list is a specific means of evaluating whether the City has adequately planned for development of housing for all income levels, and to identify how much land will need to be rezoned to make it possible to provide for the housing needs of the community as it grows. Where nonvacant sites are listed, there must be a "realistic and demonstrated potential for redevelopment" during the next eight years. Government Code § 65583(a)(3). Where nonvacant sites are not zoned for residential development, the City must rezone them within a specified timeframe. *Id.* § 65583.2(a), 65583(c).

¹ The Housing Action Coalition is a nonprofit that advocates for building more homes at all levels of affordability to alleviate the Bay Area and California's housing shortage, displacement, and affordability crisis.

Russ Building • 235 Montgomery Street • San Francisco, CA 94104 • T 415.954.4400 • F 415.954.4480

SAN FRANCISCO ST. HELENA www.fbm.com



HOUSING ELEMENT

John Davidson
November 30, 2022
Page 2



To address past abuses – including cities listing unrealistic sites – the California Legislature created a high standard for listing nonvacant sites, particularly where a city claims that the site is suitable and available for redevelopment as housing affordable to those with below average incomes. Where nonvacant sites are used to address over 50% of the need for affordable housing for those with lower incomes, the City must show the realistic and demonstrated potential for redevelopment by making formal findings that the existing use does not impede residential development “based on substantial evidence that the use is likely to be discontinued” during the planning period. Government Code § 65583.2(g)(2) (final sentence).

The current draft does not meet the requirement that it identify sufficient sites that are realistic, suitable and available. The City relies heavily on the speculative and unlikely assumption that existing uses of buildings in Santa Clara by the technology industry will cease during the next eight years, with research facilities and data centers being torn down to construct affordable housing. It relies on sites too small for practical development by affordable housing developers, and even lists a fire station that it has no plans to move. It also fails to address the fact that many of the sites are being re-listed, because they were not developed or approved for housing during the last eight years, without a commitment to rezone them for “by right” approval.

1. The Six Data Center Sites Are Not Likely To Be Redeveloped As Housing During The Next Eight Years.

(APN 216-33-033, 216-33-045, 216-33-025, 097-46-015, 104-04-076, and 104-04-077)

Several sites on the site inventory– those located at 2960 Corvin, 2970-3000 Corvin, 3030 Corvin, 5101 Lafayette, 4650 Old Ironsides, and 4700 Old Ironsides – are currently used as large-scale data centers.² Santa Clara is a favored location for data centers because its municipal electric utility provides power at less expensive rates than PG&E, and because its location in Silicon Valley reduces signal transmission times between the data center customer and the data center. See HAC Appendix Tab 2 (“In particular, Santa Clara has become the valley’s principal data center hub . . . The municipal utility, Silicon Valley Power, offers slightly lower rates in Santa Clara than its competitor, PG&E, and this has attracted numerous data center developers.”); HAC Appendix Tab 3. Santa Clara’s optimal location and utility rates make it

² The sites were listed on the August 22, 2022 draft of the inventory using APN numbers 216-33-033, 216-33-045, 216-33-025, 097-46-015, 104-04-076, and 104-04-077. The current use was not identified, which if not corrected in the final draft would violate Government Code section 65583.2(b)(3). We note that the use of APN numbers throughout the housing inventory, without also stating the address and current use, makes it considerably more difficult for state reviewers and the public to see what the City plans, and to comment on its feasibility. Including both the current use and the evidence of why the current use is expected to be discontinued are required by state law, and we hope that the City will address this issue in the next draft by adding all of the required information.

John Davidson
November 30, 2022
Page 3



particularly unlikely that an existing data center will stop operations and sell to an affordable housing developer for construction of low income housing.

Indeed, each of these data centers were the subject of relatively recent, high dollar acquisitions. The sites were not acquired by residential developers as would be expected if the property were soon to be developed for housing, but by data center operators, making it unrealistic to conclude that they will be demolished during the next eight years to build affordable housing:

- 4650 Old Ironsides (APN 104-04-077) is a 124,400 square foot, two story data center, and was acquired by Menlo Equities in September 2021 for \$35.8 million. Menlo Equities focuses on acquiring data centers and describes the acquisition on their website as “Property is situated in a strong infill location that is the most desirable data center submarket in Silicon Valley.” HAC Appendix Tab 4.
- The property next door, 4700 Old Ironsides (APN 104-04-076), was also acquired by Menlo Equities in September 2021. It is a 90,100 square foot data center, and was acquired for \$28 million. A partner with Menlo Equities was quoted as explaining that the purpose of the acquisition was “because of the increase in the demand for data.” HAC Appendix Tab 5.³
- The data center at 5101 Lafayette (APN 097-46-015) was acquired in November 2016 for \$12.8 million. HAC Appendix Tab 6. The purchaser bought it to continue its use as a data center; the acquirer was a telecommunications provider, (HAC Appendix Tab 7), and it has been used as a data center in the six years since then, with no proposal for redevelopment as housing. The purchaser described their intention for the property as: “We have long targeted Northern California as an expansion opportunity for our zColo data center business.”; “The quality and high-power density of this facility is perfectly matched to the requirements of our leading-edge, Bay Area customers.” HAC Appendix Tab 6.

Notably, this data center was on Santa Clara’s 2015-2023 Housing Element, and despite the Tasman East Specific Plan, the property was acquired during the last Housing Element period for continued use as a data center, not for redevelopment as housing. Four parcels bordering it were combined for the 2300 Calle De Luna project by housing developer Related, but Related was apparently unable to acquire 5101 Lafayette to square off the project site, as would ordinarily be expected if the site were available for residential development.

³ As recently as September 2022, the Santa Clara building department approved re-roofing 4700 Old Ironsides for its existing commercial use, with a project cost of \$150,000. Santa Clara Building Permit Number BLD22-66735.



HOUSING ELEMENT

John Davidson
November 30, 2022
Page 4



- The data centers at 2960 Corvin, 2970 Corvin, 3000 Corvin, and 3030 Corvin (APN 216-33-033, 216-33-045, 216-33-025) were also included in the 2015-2023 Housing Element, and were not redeveloped. They were instead sold in a transaction that continues their existing use, even after the 2016 rezoning of the Lawrence Station area. In May 2017, data center company Equinix acquired them as part of a \$3.6 billion acquisition of a number of data centers. See HAC Appendix Tab 3. The president for the Americas at Equinix explained that the acquisitions in Santa Clara were an attractive part of the package, given the high cost to construct new data centers in Silicon Valley.

The planning department is undoubtedly familiar with the continuing intention to use this site as a data center; there have been a number of planning projects involving installation of additional power systems and energy servers at 2960 Corvin and 2970 Corvin, filed in 2021 and still pending. See Santa Clara Planning Department Record Numbers PLN2021-14844, PLN2021-14845, CEQ2021-01085 and -01086.

Under state housing law, when nonvacant sites are used to meet over 50% of the need for affordable housing – as is the case with Santa Clara’s draft Housing Element – the city must meet a high standard: nonvacant sites are presumed under the law to impede residential development, and the City cannot rely on them without finding, based on substantial evidence, that the property is *likely* to become housing in the next eight years. Government Code § 65583.2(g)(2) (final sentence). Particularly given the recent acquisitions of the data centers by data center companies, and their declared business plans to use them as data centers rather than to re-sell them for development of affordable housing, Santa Clara lacks substantial evidence that these properties will meet the affordable housing needs of the next eight years, and cannot credibly conclude that it is “likely” that the data centers will stop operations. They do not count towards the City’s obligation to plan for very low and low income housing development.

Without these six data center sites, the City’s Housing Element is inadequate because it does not identify sufficient sites to meet the projected regional housing need for very low and low income housing. The draft Housing Element relies heavily on the unsuitable and unavailable data center sites to create the impression that it will meet the housing needs of those who can least afford housing:

APN/Address	Very Low	Low	Moderate
2960 Corvin APN 216-33-033	22	12	12
2970-3000 Corvin APN 216-33-045	79	39	39
3030 Corvin APN 216-33-025	25	13	13
5101 Lafayette APN 097-46-015	71	35	35
4650 Ironsides	390	195	195

John Davidson
November 30, 2022
Page 5



APN 104-04-077			
4700 Ironsides APN 104-04-076	326	164	164
Totals:	913	458	458

See Draft Housing Element 8/22/22 at tables 13.6-9, 13.6-10, and 13.6-11. Without these sites, the City's claimed "RHNA Surplus" becomes a deficit:

	Very Low	Low	Moderate
Claimed Inventory ⁴	3,592	1,972	2,781
Data Centers Not Appropriately Included in Inventory	(913)	(458)	(458)
Total Without Data Centers	2,679	1,514	2,323
RHNA Requirement	2,872	1,653	1,981
RHNA (Deficit)/Surplus	(193)	(139)	342 surplus

See draft at Table 13.6-5. The final Housing Element will need to identify additional, realistic sites for very low and low income housing in order to meet the requirements of state law.

2. The Gemini Rosemont Technology Park Is Not Likely To Be Redeveloped As Affordable Housing During The Next Eight Years

(APN 216-34-079, -083, -084, and -085)

Next, we address four other parcels from the inventory in the Lawrence Station area: APN 216-34-079, -083,⁵ -084, and -085. These parcels are currently used as a research and development office park, under long term leases to Affymetrix (a subsidiary of Thermo Fisher), Cloudinary, Nissan North America, and Intuitive Surgical.

⁴ Based on combination of "Approved and Proposed Projects," "Total ADU Projections," and "Total Capacity – Specific Plan Sites" in table 13.6-5.

⁵ To avoid confusion, note that -083 is listed twice on the inventory (second, and ninth, on the Lawrence Station table 13.6-10), with the acreage split between "high density residential" and "very high density residential."



HOUSING ELEMENT

John Davidson
November 30, 2022
Page 6



As of the time of the passage of the Lawrence Station Area Plan in November 2016, there had been no proposal by the then-owner of these four parcels, Sobrato Organization, to develop any of them as residential. As the plan itself stated, “To date, this entity has not submitted a proposal for development; therefore, commencement of development of these properties is expected to occur subsequent to the proposals described in phase one.” LSAP at section 11.4.⁶

Indeed, six years later, there still has been no proposal for redevelopment of these sites as housing. To the contrary, until 2019 Sobrato continued to lease out the space as a research and development office park, and spent nearly \$62 million on renovations. HAC Appendix Tab 8. In 2018, Sobrato entered into a new ten year lease with Nissan North America for an expansion of their Northern California technology research, and a six year lease with Cloudfinarya.⁷ In early 2019, shortly before selling the property, Sobrato entered into a long-term lease for 210,000 square feet to Intuitive Surgical. See HAC Appendix Tab 8.

In May 2019, three of the parcels – APN 216-34-083, -084, and -085 – were then sold for a whopping \$170.52 million to Gemini Rosemont.⁸ Gemini Rosemont shows no intention of redeveloping the properties as residential housing. To the contrary, in announcing the deal, its CEO explained that this was an office sector acquisition: “We’re entering the next phase of our multi-pronged initiative to acquire Class A assets in the office sector in targeted, tech-centric coastal and gateway markets, and opportunistically in select target markets across the U.S.,” said Ian Brownlow, chief executive officer for Gemini Rosemont at the time of the company’s relocation. “We will leverage our deep market knowledge and our impressive 25-year track record to identify and acquire those office buildings in which we can unlock value, provide superior tenant services and deliver enhanced returns to our investors.”

Meanwhile, tenant improvements continue to be made, even after the Sobrato sale to Gemini Rosemont. See, e.g., BLD21-63262 (building permit for an estimated \$300,000 of tenant improvements on the second floor of a 5,733 square foot space at 3410 Central Expressway). These are not dilapidated properties where the existing use is about to be discontinued; this is a vibrant and modern research and technology park where the tenants plan to remain.

In light of the current owner’s expressed commitment to the office sector, the long-term leases with technology tenants headquartered in Santa Clara, the tens of millions of dollars recently spent on renovations, and the lack of any indication during the last eight years that anyone wants to redevelop the property as residential, the City cannot credibly claim that there is “substantial evidence” that the property is “likely” to be redeveloped for housing. This property is not going to meet the needs of those with very low, low, and moderate incomes for housing over the next eight years, and should not be counted as likely to meet the RHNA need.

The City’s inventory indicates that it expects the technology park to supply 497 very low income, 249 low income, and 249 moderate income affordable units. The City will need to add

⁶ The Lawrence Station Area Plan, as approved, is at HAC Appendix Tab 9.

⁷ See HAC Appendix Tab 10, Tab 11.

⁸ See HAC Appendix Tab 8; see also Assessor Records at HAC Appendix Tab 12, 13, 14.

John Davidson
November 30, 2022
Page 7



additional inventory to meet the needs for affordable housing on sites that are realistic, suitable, and available to meet the need in these categories.

3. The Pearlman/Himy Office Buildings At 4633, 4655, 4677, and 4699 Old Ironsides Are Not Likely To Be Redeveloped As Affordable Housing.

(APN 104-04-138, -139, -140, and -141)

The four four-story office buildings between Old Ironsides and Great America Parkway at the addresses 4633, 4655, 4677, and 4699 Old Ironsides – parcels numbered 104-04-138, -139, -140, and -141, owned by Pearlman/Himy – should not be considered “likely” to be redeveloped for affordable housing during the next eight years. During the Patrick Henry Drive Specific Plan planning process, the owner of those sites specifically asked for a zoning designation that would authorize building of completely non-residential uses: taller office buildings. The City acceded to this request by creating a new zoning designation, “High Density Flex.”

By claiming that the properties have been rezoned so that it is theoretically possible to build housing on these four parcels, the City attempts to claim credit for meeting a large portion of its RHNA obligation: together, these parcels are claimed to meet the need for 286 “very low” income units, 144 low income units, and 144 units affordable for those with moderate income. As with other nonvacant sites, the City has the burden of citing substantial evidence that the property is “likely” to be used for housing. Here, the owner expressed a desire for “flexibility” – rejecting the City’s initial proposal of housing-only zoning, and requesting creation of a special zoning designation that would allow the owner to build no housing at all. Indeed, at the owner’s request, the Environmental Impact Report studied an alternative referred to as “Maximum Office.” The City’s study of “Maximum Office” alternative applies only to these parcels, since the other parcels in the Patrick Henry Drive Specific Plan area are zoned for residential with only first floor retail/office allowed. Given the strong signals from Pearlman/Himy that it does not have a current intention of building housing on these four parcels, the City does not meet the requirement of showing that it is “likely” that the property will be redeveloped for affordable housing during the next eight years. Meanwhile, the existing use also includes tenants with long-term leases, but the City has done nothing to analyze or investigate when these leases expire, whether the leases contain renewal rights, or whether the existing use would otherwise be an obstacle to the building of housing during the 2023-2031 period.⁹

Indeed, the City’s draft Housing Element effectively concedes the City’s doubt that the Pearlman/Himy properties will be developed as housing during the 2023-2031 period. If the Pearlman/Himy sites are developed as high density offices – and there is every indication that they will be – the City promises that six months after the approval of the office development, it will *then* identify adequate sites for housing development. This seems to be an ordinary

⁹ In fact, publicly available information shows that the four office buildings continue to be marketed for office leases. HAC Appendix Tab 15. The owner continues to sign new office leases, including during 2022. HAC Appendix Tab 16 and 17.



HOUSING ELEMENT

John Davidson
November 30, 2022
Page 9



43,560 square feet, and 0.5 acres is 21,780 square feet. County records show that these parcels are in fact smaller than 0.5 acres:¹¹

Address/APN	Recorded Size (Assessor Database)	Computed Size (Santa Clara County GIS)
2346 Calle Del Mundo APN 097-46-003	20,038 sq. ft	20,042 sq. ft.
2338 Calle Del Mundo APN 097-46-004	19,602 sq. ft	19,509 sq. ft
2330 Calle Del Mundo APN 097-46-005	20,038 sq. ft	20,042 sq. ft
2322 Calle Del Mundo APN 097-46-006	20,038 sq. ft	20,046 sq. ft
2301 Calle De Luna APN 097-46-007	20,038 sq. ft	20,002 sq. ft
2309 Calle De Luna APN 097-46-008	20,038 sq. ft	20,003 sq. ft
2317 Calle De Luna APN 097-46-009	20,038 sq. ft	19,706 sq. ft
2325 Calle De Luna APN 097-46-010	20,473 sq. ft	21,662 sq. ft
2272 Calle De Luna APN 097-46-025	21,344 sq. ft	21,064 sq. ft
2262 Calle De Luna APN 097-46-026	21,344 sq. ft	21,880 ^{*12} sq. ft

Indeed, the City's own 2015-2023 Housing Element, which listed these same sites, described most of them (all but -025 and -026) as either 0.45 acres or 0.46 acres. *See* 2015-2023 Housing Element at table 8.12-6-4.

Parcels like these, which are smaller than 0.5 acres, cannot be used as part of the site inventory to satisfy the "very low" and "low" categories without a concrete showing, based on prior experience, of why it is realistic to expect that it will be developed for low income housing. The City's Housing Element contains no proof that affordable housing has successfully been

¹¹ This information is available on the County of Santa Clara GIS map online, available at <https://ges.sccgov.org/discovergis/sccmap>; the square footage is available by clicking on the individual parcel, then choosing "Show Planning's Property Profile" to obtain this publicly available information from the Santa Clara County Department of Planning and Development.

¹² Note, the GIS Computed Size shows that -026 is slightly larger than 0.5 acres. In order to include it, the city would need to determine, as part of the Housing Element, that the County GIS system is more accurate than the county assessor's official records, which reflect that the property is smaller than 0.5 acres.

John Davidson
November 30, 2022
Page 10



developed on sites of this size. The city's RHNA "surplus" is thus overstated by 142 very low, 70 low, and 70 moderate affordable units (and as explained above, is actually a deficit). The City should identify additional sites that are likely to be redeveloped as housing in the next eight years, and which are suitable as sites for affordable housing.

5. The City Has Inappropriately Listed Other Sites As Well.

(1) 3011 Corvin (APN 216-33-021).

Santa Clara City Fire Department Station # 9 serves the Lawrence Station area of the city. It is located at 3011 Corvin Drive. The parcel number is 216-33-021. The City has listed it on its housing inventory, and claims that it will meet part of the RHNA need, because it could be used to build 12 units of affordable housing for those with moderate incomes. However, as far as we are aware, the City has no present intention of selling this property or developing it for affordable housing. Indeed, the Lawrence Station Specific Plan shows that the City intends that the fire station will remain as a public use. The City also listed this parcel on the 2015-2023 Housing Element inventory, and took no steps to make it available for housing. It is not likely to be used for housing in the next eight years, given its existing use. It should be removed, or at least excluded from the totals. This will also help avoid it being used incorrectly as a buffer as part of any "no net loss" analysis during the 2023-2031 period.

(2) 2343 Calle Del Mundo (APN 097-05-111).

Parcel 097-05-111 in the Tasman East area appears to be part of the 2343 Calle Del Mundo project by Summerhill. The rest of the 2343 Calle Del Mundo project site is not listed in the site inventory, presumably because it is already under construction. The City may wish to reevaluate its designation of -111 based on the apparent common ownership with parcel 097-05-110. It should probably be removed, or at least excluded, to avoid being used as part of a "no net loss" analysis during the 2023-2031 period.

B. The Extensive Re-Use Of Sites Requires A New "Use By Right" Zoning Overlay.

In Government Code section 65583.2(c), nonvacant land listed in a prior housing element but not approved for development must be rezoned within three years so that any housing development in which at least 20 percent of the units are affordable to lower income households is entitled to "residential use by right." (i.e., no requirement for conditional use permit, planned development permit, or other discretionary local government review). This would prevent subjective and discretionary permit processes – for example, "architectural review" – from being used to block housing projects that provide affordable housing.

The draft Housing Element for 2023-2031 lists nonvacant land listed in a prior housing element but not approved for development: All of the Tasman East sites on the draft for 2023-2031 were already used on the site inventory for 2015-2023, and all of the Lawrence Station sites on the draft for 2023-2031 were already used on the site inventory for 2015-2023. *Compare*



HOUSING ELEMENT

John Davidson
November 30, 2022
Page 11



2015-2023 Housing Element at tables 8.12-6-4 and 8.12-6-5 *with* draft 2023-2031 Housing Element at tables 13.6-9 and 13.6-10. Under section 65583.2(c), the City is therefore required to implement a program to rezone all of these sites by no later than three years from the adoption of the element, to permit “use by right” for housing developments if 20% of the units are affordable to low or very low income residents.

The City is aware of this requirement, but tries to argue around it, at page 13.6-7 of the draft, titled “Re-Use of Sites.” The City argues that because it rezoned the Tasman East and Lawrence Station sites during the 2015-2023 cycle for a higher density to conform to the General Plan, it can count the sites as “new” for purposes of the 2023-2031 cycle, and ignore that they were identified in a prior housing element. The argument will not hold up in court. The statute unambiguously states that if the site is nonvacant, was “identified” in a prior housing element, and was not approved for development, it “shall not be deemed adequate to accommodate a portion of the housing need for lower incomes households . . .” unless rezoned in the new housing element for “use by right.”

Nor does the City’s “rezoning for higher density” argument fit the facts: The sites were rezoned as part of a Government Code section 65583(c) program (albeit late, as explained in the next section). Indeed, if they had not been rezoned, the city otherwise had a shortfall of sites to address the 2015-2023 RHNA. Moreover, some of them are zoned at the exact same density stated in the 2015-2023 Housing Element. *See, e.g.,* APN 216-33-037.

If the City does not wish to implement a “use by right” overlay, it should remove the Tasman East and Lawrence Station sites from the inventory; almost all of them are being (re-)used to satisfy the very low and low income needs that they were designated to meet in the last Housing Element, and in the absence of a “use by right” rezoning, they do not meet the criteria under 65583.2(c) for being re-used.

C. The City Must Address The Unaccommodated Need From The 2015 Regional Housing Needs Allocation.

The City also failed to implement fully its 2015-2023 Housing Element. The consequence of its failure is that it must address both the unaccommodated 2015-2023 need and the new 2023-2031 need.

Where a city fails to implement a housing element, the unaccommodated need must be quickly accommodated during the next period. Government Code § 65584.09(a). Here, Santa Clara failed to timely implement what it promised in its 2015 Housing Element. The unaccommodated need from that period – the failure to provide adequate sites for lower income housing – carries over, and the city cannot use the same sites to meet both the 2015 need and the 2023 need.

We start with a description of the City’s failure to make available adequate sites to accommodate the regional need identified in 2014. In the 2015-2023 Housing Element, the City stated that it believed the housing need could be accommodated on sites in the El Camino Real,

John Davidson
November 30, 2022
Page 12



Tasman East, and Lawrence Station “focus areas”: areas that the City’s general plan projected as suitable for rezoning as medium or high density residential, or mixed use, but which were not yet zoned to permit residential development. The Tasman East focus area and Lawrence Station focus area were zoned light industrial. The El Camino Real sites were zoned “thoroughfare commercial” or “community commercial”: zoning that did not permit residential construction. No one could build housing on any of the sites in the inventory without rezoning.

Under 65583.02(a), the inventory can only include sites that are (1) vacant and zoned for residential use, (2) vacant and zoned to allow residential development, (3) residentially zoned and capable of being developed at a higher density, or (4) “zoned for nonresidential use that can be redeveloped for residential use, and for which the housing element includes a program to rezone the site, as necessary, to permit residential use . . .” The 2015 inventory was valid, if at all, because of a planned program to rezone all of the sites on the list under 65583.2(a)(4) and 65583(c).

A program to rezone sites to make them available is governed in part by Government Code section 65583(c)(1). That subsection required the City to “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 . . . share of the regional housing need for each income level that could not be accommodated on sites in the inventory . . . without rezoning . . .” Under 65583(c), the City was required to “set forth a schedule of actions during the planning period, each with a timeline for implementation . . . such that there will be beneficial impacts of the programs within the planning period . . .”

The City’s 2015-2023 Housing Element explained how it would comply with the law: it would engage in a comprehensive rezoning of the entire city to conform with the general plan, “to bring consistency between the Zoning Ordinance and the General Plan, implementing the General Plan goals by facilitating mixed use development and higher density residential development, protecting existing neighborhoods, and incentivizing redevelopment by appropriate development standards and streamlined procedures.” The City stated that it would complete this action by mid-2016. *See* 2015-2023 Housing Element at pp. 8.12-122 – 8.12-123 (“Action 6: Zoning Ordinance”).

The mid-2016 deadline was important; the action needed to be scheduled “such that there will be beneficial impacts of the programs within the planning period,” and also kept the plan for rezoning on track to take place within the required three years. Government Code § 65583(c)(1)(A). Housing could not be constructed unless it were approved; housing would face more hurdles to approval until the rezoning took place; and so removing the obstacle of light industrial or commercial district zoning needed to take place early in the planning period to provide developers the ability to propose and proceed with housing built to meet the needs during the 2015-2023 time period.

By mid-2016, the City still had not completed the comprehensive rezoning that it identified as Action 6. The City blamed problems with its outside consultant for not completing



HOUSING ELEMENT

John Davidson
November 30, 2022
Page 13



it in 2016, and promised it would be done in 2017. But even then, it didn't complete it. The draft was finally circulated for public comment in summer 2022 – while the City was working on the 2023 Housing Element – and won't be voted on by the City Council until sometime in 2023. The draft 2023-2031 Housing Element acknowledges that Action 6 is incomplete, and now lists the comprehensive zoning ordinance update as Action 9 in the new plan: “expected to be completed in late 2022/early 2023” *See* 2023-2031 draft Housing Element see p. 13.7-5 (“The City is continuing to work on the comprehensive Zoning Ordinance Update”); and p. 13.2-10 (“Action 9: Zoning Ordinance”); *see also* p. 13.1-1 (“Additionally, the City is nearing completion of a comprehensive Zoning Code update which will further streamline processes with the inclusion of objective standards and new zoning districts that better align with the City’s General Plan.”); p. 13.2-4.

The City thus did not implement the 2015 Housing Element, and did not rezone, as promised, the sites listed in its 2015-2023 inventory. While the City listed 158 parcels along El Camino Real in its 2015-2023 plan as having the ability to satisfy the housing needs of the community, it left the commercial district zoning in place for the entire 2014-2022 period. To this day, anyone wanting to build housing on most of those parcels (excluding the few that went through the City’s discretionary process for a rezoning) needs to apply for a zoning variance, contrary to state law which required not just an expectation of potential rezoning to match the general plan, but actual implementation of the Housing Element by the City. Meanwhile, the City planning staff proposed a rezoning of these sites repeatedly as part of the El Camino Real Specific Plan, but the City Council still has not taken action, and has deferred further discussion. The program actions in the 2015-2023 Housing Element to rezone or provide adequate sites were thus not fully implemented.

Having failed to implement the rezoning as required by state housing law and promised in the 2015-2023 Housing Element to take place by mid-2016, the City is now subject to section 65584.09, which provides:

[I]f a city or county in the prior planning period failed to identify or make available adequate sites to accommodate that portion of the regional housing need allocated pursuant to Section 65584, then the city or county shall, within the first year of the planning period of the new housing element, zone or rezone adequate sites to accommodate the unaccommodated portion of the regional housing need allocation from the prior planning period.

Santa Clara easily accommodated the need for above-moderate income housing during the 2015-2023 period: it issued building permits for 4,606 units. It appears to have accommodated the 2015-2023 need for moderate income housing, at least if project approvals, rather than actually constructed units, are counted. But it fell seriously short for the “very low” and “low” income categories. The City granted building permits for only 289 “very low” income units, 246 low income units, and 125 units affordable to those with moderate incomes. This leaves a substantial shortfall to be addressed from the last period, in addition to the substantial new need for the new period.

John Davidson
November 30, 2022
Page 15



Approvals of Affordable Housing: 1601 Civic Center	106	
Unaccommodated Portion Of 2015-2023 RHNA:	358	236

In determining the affordable housing requirements for its 2023-2031 Housing Element, the City is not allowed to use the same sites or projects to count toward both the 2015-2023 need and the 2023-2031 need. It must instead plan for both the unaccommodated need and the newly allocated need. *See* Government Code § 65584.09(b). This means that the City's analysis at page 13.6-2 is flawed because it engages in double-counting: the City is claiming that the building permits and approvals from 2015-2023 accommodated a portion of the housing need for that period *and* that the same building permits and approvals from 2015-2023 address the newly allocated need for 2023-2031.

Again, the City's failure to follow through on its 2015 Housing Element has a consequence: the City is now obliged to meet the unaccommodated need from the 2015-2022 period as well as the regional need identified for the 2023-2031 period. Adequate sites must be rezoned within one year to address this unaccommodated portion of the 2015-2023 RHNA need.

the calculation itself using the information available to it; this calculation should be viewed as illustrative.



HOUSING ELEMENT

John Davidson
November 30, 2022
Page 16



D. Conclusion: The City's Site Inventory Needs A Program To Rezone Many More Suitable And Available Sites To Accommodate Its Share Of The Regional Need.

A recap of the issues above, in chart form:

	Very Low	Low	Moderate
Draft Inventory ¹⁷	3,592	1,972	2,781
Data Centers	-913	-458	-458
Gemini Rosemont Technology Park	-497	-249	-249
Sites Smaller Than 0.5 Acres	-142	-70	
4633, 4655, 4677, 4699 Old Ironsides	-286	-144	-144
Fire Station # 9 and Tasman Parcel -011			-35
Total Inventory Without Invalid Sites	1,754	1,051	1,895
RHNA Need for Affordable Housing	2,872	1,653	1,981
+ Unaccommodated Need from 2015-2023	+ 358	+ 236	
= Required Need For Affordable Housing In 2023-2031 Housing Element	= 3,230	= 1,889	1,981
Additional Rezoning Required	1,476	838	86

In addition, the City needs to add a plan to rezone the remaining Tasman East and Lawrence Station properties for residential "use by right" for any housing development proposing 20% affordable units, or find additional sites to cover an additional shortfall.

The City is not without potential solutions: the Planning Department has already prepared a specific plan for El Camino Real that would rezone a large number of sites that may be suitable for housing (this would have included, for example, the 100% affordable housing project at 1601 Civic Center Drive, which would not have then required rezoning after a contentious and years-long process).

¹⁷ Based on combination of "Approved and Proposed Projects," "Total ADU Projections," and "Total Capacity – Specific Plan Sites" in table 13.6-5.

John Davidson
November 30, 2022
Page 17



Looking at sites elsewhere in the City would also help address the requirement, noted in SV@Home's comment, to affirmatively further fair housing. The City's concentration of site inventory in the industrial parks on the furthest boundaries of the city, far away from the better resourced schools and parks of residential Santa Clara south of El Camino Real, appears to violate this obligation, and we hope that the next draft of the site inventory will show a greater dispersal of proposed housing sites.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'TBM', with a horizontal line extending to the right.

Thomas B. Mayhew

TBM:tb
3661515158787.1



SANTA CLARA

HOUSING ELEMENT

FIGURE 10: FORMAL COMMENT LETTER: HOUSING ACTION COALITION



THOMAS R. MAYHEW
tmayhew@fbm.com
D 415.954.4948

CHARLES J. HIGLEY
cjhigley@fbm.com
D 415.954.4942

January 22, 2023

Via E-mail

Santa Clara City Council and
Santa Clara Planning Commission
1500 Warburton Avenue
Santa Clara CA 95050

MayorAndCouncil@santacalaraca.gov
PlanningCommission@santacalaraca.gov

Re: City of Santa Clara Draft Housing Element
Comments of Housing Action Coalition

Dear Mayor, Vice Mayor, Members of the City Council, and Planning Commissioners:

On behalf of the Housing Action Coalition,¹ we write to provide comments on the most recent draft of the 2023-2031 Housing Element for the City of Santa Clara.

The current draft does not comply with state law. Among other problems, it overstates the inventory of realistic and available sites to meet Santa Clara's fair share of the regional need, particularly for lower income units, in two significant ways. First, the draft continues to include sites that are not vacant without proof that the existing use is likely to discontinue during the next eight years. Second, the draft overestimates the development potential, by selective use of data and a miscalculation of the average densities developed. The draft also fails to take constraints into account such as the rezoning of portions of certain parcels as open space/parks or public right-of-way, which would preclude developing housing on that portion. For these and other reasons described below and in our earlier letter, the draft does not comply with state law. The Planning Commission should not recommend it to the City Council, and the City Council should not adopt it. The Council should instead direct staff to revise it by identifying additional realistic and available sites to include on the inventory, geographically dispersed throughout the City, comply with the site inventory requirements and the legal duty to affirmatively further fair housing.

¹ The Housing Action Coalition is a nonprofit that advocates for building more homes at all levels of affordability to alleviate the Bay Area and California's housing shortage, displacement, and affordability crisis.

These comments supplement the earlier comment letter on behalf of Housing Action Coalition dated November 30, 2022.

Russ Building • 235 Montgomery Street • San Francisco, CA 94104 • T 415.954.4400 • F 415.954.4480

SAN FRANCISCO ST. HELENA www.fbm.com



Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 2



A. The City Includes Sites That Are Not “Suitable And Available,” And Do Not Have A “Realistic And Demonstrated Potential” For Redevelopment During The Planning Period To Meet The Need For Housing.

The City Council is called upon to make a special finding before adopting the Housing Element, and to do so based on evidence. Where, as here, the City claims that lower-income housing will be accommodated by sites that are currently used for other purposes, the City must “demonstrate that the existing use . . . does not constitute an impediment to additional residential development *during the period covered by the housing element.*” And most significantly, state law requires a specific set of findings:

An existing use shall be presumed to impede additional residential development, absent findings based on substantial evidence that the use is likely to be discontinued during the planning period.

Government Code § 65583.2(g)(2). The Council should therefore ask itself, for each and every site on the inventory: What is the existing use? And what is the evidence that the use is likely to be discontinued during the next eight years?

HCD has provided helpful guidance of what kinds of evidence the City Council should look for:

Examples of substantial evidence that an existing use will likely be discontinued in the current planning period include, but are not limited to:

- The lease for the existing use expires early within the planning period,
- The building is dilapidated, and the structure is likely to be removed, or a demolition permit has been issued for the existing uses,
- There is a development agreement that exists to develop the site within the planning period,
- The entity operating the existing use has agreed to move to another location early enough within the planning period to allow residential development within the planning period,
- The property owner provides a letter stating its intention to develop the property with residences during the planning period.”

HCD further explained:

[N]onvacant sites with differing existing uses and lacking in common ownership, whether contiguous or located in the same general area, may not rely on a generalized analysis. While the sites may be located in an area with common economic issues, individual owners may not wish to sell their property or redevelop their site with residential uses. In addition, each site’s existing use,

e.g., grocery store, retail shop, parking lot, and offices, may have lease agreements of different lengths of time or the owner may not wish to relocate or redevelop the site with a more intensive residential use. In this type of situation, use of the same findings for the multiple sites would not be appropriate.

HCD Site Inventory Guidebook (May 2020) at pp. 27-28.

Unfortunately, the current draft of the Housing Element does not meet any of the standards explained by HCD for the sites on the inventory:

- There are leases that extend well into the planning period.
- There are buildings that are not dilapidated, and in fact, some of them have been significantly remodeled and improved within the last ten or even five years.
- There are no demolition permits for existing uses.
- There are no development agreements for any site on the inventory.
- None of the existing uses have agreed to move to other locations early enough within the planning period to allow residential development within the planning period.
- The draft does not indicate that property owners have provided letters stating their intention to develop the property with residences during the planning period.
- The only analysis provided is generalized: that all of the properties are in areas that have been rezoned – in the case of Lawrence Station and Tasman East, many years ago – and others have chosen to develop their properties because of market demand.
- There are different owners and different uses; there are lease agreements with different lengths of time.
- There is no evidence presented that the owners wish to relocate or redevelop the sites with a more intensive residential use.

The lack of evidence or analysis on a site-by-site basis dooms the draft Housing Element; it does not comply with the law because the City Council lacks proof that existing uses are likely to discontinue at each of the sites on the inventory.

To illustrate this point further, we describe four specific examples to show that the City has failed to comply with its obligations under Government Code section 65583.2(c) and (g)(1) and (2) to analyze the evidence and determine which sites are realistic and likely to redevelop. The City Council should not sign off on findings that are not based on substantial evidence.



HOUSING ELEMENT

Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 4



**1. The Gemini Rosemont Technology Park Is Not Likely To Be
Redeveloped As Affordable Housing During The Next Eight Years**

(APN 216-34-079, -083, -084, and -085)

In the heart of the Lawrence Station Area Plan is a set of parcels – APN 216-34-079, -083,² -084, and -085 – currently used as a research and development office park, under long term leases to Affymetrix (a subsidiary of Thermo Fisher), Cloudinary, Nissan North America, and Intuitive Surgical. Under Government Code section 65583.2(g)(1), the Housing Element is required to engage in an “analysis of any existing leases or other contracts that would perpetuate the existing use or prevent redevelopment of the site . . .” Despite this legal requirement, the draft does not mention, much less analyze, the existing leases.

As of the time of the passage of the Lawrence Station Area Plan in November 2016, there had been no proposal by the then-owner of these four parcels, Sobrato Organization, to develop any of them as residential. As the plan itself stated, “To date, this entity has not submitted a proposal for development; therefore, commencement of development of these properties is expected to occur subsequent to the proposals described in phase one.” LSAP at section 11.4.³

Indeed, over six years later, there still has been no plan for redevelopment of these sites as housing. To the contrary, until 2019 Sobrato continued to lease out the space as a research and development office park, and spent nearly \$62 million on renovations shortly before the sale. HAC Appendix Tab 8. In 2018, Sobrato entered into a new ten-year lease with Nissan North America for an expansion of their Northern California technology research, and a six-year lease with Cloudinary.⁴ In early 2019, shortly before selling the property, Sobrato entered into a long-term lease for 210,000 square feet with Intuitive Surgical. *See* HAC Appendix Tab 8.

In May 2019, three of the parcels – APN 216-34-083, -084, and -085 – were then sold for a whopping \$170.52 million to Gemini Rosemont.⁵ Gemini Rosemont shows no intention of redeveloping the properties as residential housing, and its tenants Nissan, Cloudinary, Intuitive Surgical, and Affymetrix show no signs of relocating. To the contrary, in announcing the deal, Gemini Rosemont’s CEO explained that this was an office sector acquisition: “We’re entering the next phase of our multi-pronged initiative to acquire Class A assets in the office sector in targeted, tech-centric coastal and gateway markets, and opportunistically in select target markets across the U.S.,” said Ian Brownlow, chief executive officer for Gemini Rosemont at the time of the company’s relocation. “We will leverage our deep market knowledge and our impressive 25-

² To avoid confusion, note that -083 was listed twice on the inventory submitted to HCD (second, and ninth, on the Lawrence Station table 13.6-10), with the acreage split between “high density residential” and “very high density residential.”

³ The Lawrence Station Area Plan, as approved, is at HAC Appendix Tab 9.

⁴ *See* HAC Appendix Tab 10, Tab 11.

⁵ *See* HAC Appendix Tab 8; *see also* Assessor Records at HAC Appendix Tab 12, 13, 14.

year track record to identify and acquire those office buildings in which we can unlock value, provide superior tenant services and deliver enhanced returns to our investors.”

Meanwhile, tenant improvements continue to be made, even after the Sobrato sale to Gemini Rosemont. *See, e.g.*, BLD21-63262 (building permit for an estimated \$300,000 of tenant improvements on the second floor of a 5,733 square foot space at 3410 Central Expressway). These are not dilapidated properties where the existing use is about to be discontinued; this is a vibrant and modern research and technology park where the tenants plan to remain. The assertion at page 13.6-18 of the Adoption Draft that “No recent, significant enhancements have been made to these sites” is simply not true of the Gemini Rosemont Technology Office Park, where \$62+ million in renovations has taken place during the last five years. Site-by-site analysis, rather than blanket assertions, is required to comply with Government Code section 65583.2(g)(2), but the City does not show that it has done so here.

In light of the current owner’s expressed commitment to the office sector rather than redevelopment, the long-term leases with technology tenants headquartered in Santa Clara, the tens of millions of dollars recently spent on renovations, the lack of any indication during the last eight years that the owner wants to redevelop the property as residential, and the lack of any current information showing that the owner intends to evict the tenants before the end of the housing cycle and build housing on these parcels, the City Council cannot make a finding based on “substantial evidence” that the existing use is “likely” to discontinue. This property is not likely to meet the needs for 1,743 units of housing affordable to those with very low, low, and moderate incomes for housing over the next eight years, and should not be counted as such on the site inventory.

2. The Pearlman/Himy Office Buildings At 4633, 4655, 4677, and 4699 Old Ironsides Are Not Likely To Be Redeveloped As Affordable Housing.

(APN 104-04-138, -139, -140, and -141)

The four four-story office buildings between Old Ironsides and Great America Parkway at the addresses 4633, 4655, 4677, and 4699 Old Ironsides—parcels numbered 104-04-138, -139, -140, and -141, owned by Pearlman/Himy—should not be considered “likely” to be redeveloped for affordable housing during the next eight years. During the Patrick Henry Drive Specific Plan planning process, unlike the other owners responding to the Specific Plan proposal, the owner of those sites specifically asked for a zoning designation that would authorize building of completely non-residential uses: taller office buildings. The City acceded to this request by creating a new zoning designation, “High Density Flex.”

By claiming that the properties have been rezoned so that it is theoretically possible to build housing on these four parcels, the City attempts to claim credit for meeting a large portion of its RHNA obligation: Together, these parcels are claimed to meet the need for 1,025 units affordable to those in the very low-, low-, and moderate-income categories. As with other



HOUSING ELEMENT

Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 6



nonvacant sites, the City has the burden of citing substantial evidence that the property is “likely” to be used for housing.

Here, the owner expressed a desire for “flexibility” – rejecting the City’s initial proposal of housing-only zoning, and requesting creation of a special zoning designation that would allow the owner to build no housing at all. Indeed, at the owner’s request, the Environmental Impact Report then studied an alternative referred to as “Maximum Office.” The City’s study of “Maximum Office” alternative applies only to these parcels, since the other parcels in the Patrick Henry Drive Specific Plan area are zoned for residential development with only first floor retail/office allowed. Given the strong signals from Pearlman/Himy that it does not have a current commitment to building housing on these four parcels, the City does not meet the requirement of showing that it is “likely” that the property will be redeveloped for affordable housing during the next eight years. Claiming that redevelopment is likely to occur simply because the property has been rezoned to permit residential development, in the face of an owner request to rezone to permit a higher density office use, lacks substantial evidence.

Meanwhile, the existing use also includes tenants with long-term leases, but the City has done nothing to analyze or investigate when these leases expire, whether the leases contain renewal rights, or whether the existing use would otherwise be an obstacle to the building of housing during the 2023-2031 period.⁶ This fails to meet the City’s obligation under Government Code section 65583.2(g)(1).

Indeed, the City’s draft Housing Element effectively concedes the City’s doubt that the Pearlman/Himy properties will be developed as housing during the 2023-2031 period. If the Pearlman/Himy sites are developed as high-density offices – and there is every indication that they will be – the City promises that six months after the approval of the office development, it will *then* identify adequate sites for housing development. This seems to be an ordinary application of the no net loss rule, but the Planning Department describes it as the plan for this set of parcels alone. Instead of identifying adequate, available sites, the City includes the Pearlman/Himy sites despite the owner’s uncertain intention so it can check the box on affordable housing, and asks those who need housing now to “wait and see.” Affordable housing can’t wait while the City uses the Pearlman/Himy sites as a placeholder.⁷ The City cannot make

⁶ In fact, publicly available information shows that the four office buildings continue to be marketed for office leases, and new tenants continue to move in. *See* HAC Appendix Tabs 15-18. Indeed, in the less-than-two months since our November comment letter, it appears that four office spaces in these buildings that were on the market have recently been leased. *Compare* HAC Appendix Tab 15 with new HAC Appendix Tab 18 (attached) (Suites 230 and 355 in 4655 Old Ironsides, and Suites 304 and 438 in 4699 Old Ironsides, marketed for lease in November 2022 but not in January 2023).

⁷ The City is already seriously behind in meeting its fair share of the regional need. While it promised in 2014 to rewrite its outdated zoning law by 2016, the process dragged on for years

Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 7



the required findings and should not count the office buildings at 4633, 4655, 4677, and 4699 as meeting the need for suitable and available housing sites.

3. National Instruments Silicon Valley Headquarters Is Not Likely To Be Redeveloped As Affordable Housing In The Next Eight Years.

(APN 104-04-122)

In May 2013, Drawbridge Realty acquired 4600 Patrick Henry Drive, a 50,000 square foot Class A office building on 3.2 acres, at APN 104-04-122. Based on its website, Drawbridge Realty specializes exclusively in commercial and office leases, and does not develop residential projects. HAC Appendix Tab 19.

The long-term occupant at 4600 Patrick Henry was already in place when Drawbridge bought the property: The site is the Silicon Valley headquarters of National Instruments. National Instruments was formerly known as Texas Instruments (which acquired long-time Santa Clara semiconductor company National Semiconductor). The property was fully remodeled, inside and out, less than ten years ago. *See HAC Appendix Tab 20 (showing photos; describing “Complete interior, exterior, and site renovations completed in May 2013”).*



The draft Housing Element does not contain any information about the lease between National Instruments and Drawbridge, or about whether National Instruments intends to continue occupancy on Patrick Henry. This is not a dilapidated building; it was completely renovated less than ten years ago. Rezoning and hoping for redevelopment does not satisfy Government Code section 65583.2(g)(1) or (g)(2). Pointing to redevelopment of other sites by residential developers doesn't show that this particular site's existing use is “likely to discontinue” during the next eight years. Absent substantial evidence that the existing use is likely to discontinue, the National Instruments facility should not be listed as meeting the need for very low- and low-income housing.

and, eight years later, is still incomplete. The City was supposed to plan for 1,745 low and very low income units during the last eight years; instead, only 535 actually obtained a building permit.



Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 8



4. Great America Technology Park.

(APN 104-53-1, -2, -3, -4, -5, -6, -7, -8, -9, -10, -11, -12, -13, -14, -15, -16, -17, -18, -19, -20, -21, -22, -23, -24, -25, -26, and -27)

At 4701 Patrick Henry Drive is a large office park that has been subdivided into 27 separate parcels, known as the Great America Technology Park. Separate buildings include a range of uses from technology companies to law firms to non-profit organizations. The City does not analyze each parcel, or the uses on each, as required by Government Code section 65583.2(g)(1).

The earlier draft submitted to HCD correctly showed, at Figure 13.6-7, that there was a large number of smaller parcels, as a result of earlier subdivision. We have included the parcel map from the Santa Clara County Assessor's Office, which shows that there are 27 parcels: 26 individual buildings, each with its own parcel number, plus a 27th parcel consisting of the Swiss-cheese common area surface parking lot that surrounds parcels APN 104-53-1 through -26. See HAC Appendix Tab 21.

In the Adoption Draft at Figure 13.6-5, parcel 104-53-016 is shown as a very large, single parcel. This is incorrect. As the parcel map shows, 104-53-016 is Parcel 24 in the sequence, and consists of just 3,408 square feet. By listing a single 3,408 square foot building parcel as covering 9+ acres, the draft seriously errs in providing information for the City Council to make an informed decision about the likelihood that the 26 buildings, each with their own business occupants, owners, and uses, will somehow coordinate and jointly develop their properties, and the common area, during the next eight years. It can be difficult for two adjacent owners to work together to combine parcels and pursue a joint development. Absent substantial evidence that the 27 parcels here have been united under common ownership and/or have a joint plan to cease all office/commercial uses in favor of residential development during the next eight years, this set of parcels should not be included in the site inventory, because the existing uses are presumed to continue and are an impediment to residential use. Government Code § 65583.2(g)(2).

B. The Density Calculations Overstate The Extent To Which The Existing Site Inventory Satisfies The RHNA Need.

Government Code section 65583.2(c) regulates how the number of housing units accommodated on each site is determined:

The inventory shall specify for each site the number of units that can realistically be accommodated on that site and whether the site is adequate to accommodate lower-income housing, moderate-income housing, or above moderate-income housing. . . . The city or county shall determine the number of housing units that can be accommodated on each site as follows:

(1) If local law or regulations require the development of a site at a minimum density, the department shall accept the planning agency's calculation of the total housing unit capacity on that site based on the established minimum density. If the city or county does not adopt a law or regulation requiring the development of a site at a minimum density, then it shall demonstrate how the number of units determined for that site pursuant to this subdivision will be accommodated.

(2) The number of units calculated pursuant to paragraph (1) shall be adjusted as necessary, based on the land use controls and site improvements requirement identified in paragraph (5) of subdivision (a) of Section 65583, the realistic development capacity for the site, typical densities of existing or approved residential developments at a similar affordability level in that jurisdiction, and on the current or planned availability and accessibility of sufficient water, sewer, and dry utilities. . . .

(3) For the number of units calculated to accommodate its share of the regional housing need for lower income households pursuant to paragraph (2), a city or county shall do either of the following:

(A) Provide an analysis demonstrating how the adopted densities accommodate this need. The analysis shall include, but is not limited to, factors such as market demand, financial feasibility, or information based on development project experience within a zone or zones that provide housing for lower income households.

(B) The following densities shall be deemed appropriate to accommodate housing for lower income households:

(i) For an incorporated city within a nonmetropolitan county and for a nonmetropolitan county that has a micropolitan area: sites allowing at least 15 units per acre.

(ii) For an unincorporated area in a nonmetropolitan county not included in clause (i): sites allowing at least 10 units per acre.

(iii) For a suburban jurisdiction: sites allowing at least 20 units per acre.

(iv) For a jurisdiction in a metropolitan county: sites allowing at least 30 units per acre.

Government Code § 65583.2(c)(1), (2) and (3). The draft fails to comply with this statute.



Santa Clara City Council and
 Santa Clara Planning Commission
 January 22, 2023
 Page 10



1. The Site Inventory Is Insufficient Based On Minimum Densities.

In the draft presented to and reviewed by HCD, the City relied on minimum densities as showing the capacity for each site. However, a number of large sites have now been removed from the inventory in response to earlier comments by HCD and others, including Housing Action Coalition. The total capacity of the inventory calculated at minimum density is 4,860, rather than the 7,810 claimed.

Notably, the statute arguably requires use of the minimum densities for cities that have them. Under section 65583.2(c)(1), “If local law or regulations require the development of a site at a minimum density, [HCD] shall accept the planning agency’s calculation . . . based on the established minimum density.” HCD is not given discretion to accept an alternative calculation. The remainder of section 65583.2(c)(1) explains that “If the city or county *does not* adopt a law or regulation requiring the development of a site at a minimum density, then it shall demonstrate how the number of units determined for that site pursuant to this subdivision will be accommodated.” (emphasis added). Because Santa Clara law *does* require minimum densities, the calculation is governed by the first sentence, not the second. While HCD appears to interpret the statute as if it presents two options, the statutory text requires use of the minimum densities based on the zoning laws in effect in Santa Clara. If the statutory text is applied as written, the draft Housing Element fails to list sufficient inventory to meet the regional need.

2. The Site Inventory Is Insufficient Based On Santa Clara’s Own Methodology.

The draft Housing Element discusses the “realistic capacity” calculation – the methodology the City uses to estimate the number of units that each parcel will accommodate for purposes of meeting the RHNA requirements – at pages 13.6-7 through 13.6-10. The draft says it calculates the “realistic capacity” by multiplying the parcel size by the minimum zoned density, and then multiplying by the “average,” for existing and approved projects, of the percent by which each project in a particular Specific Plan exceeded minimum density. The “average” for Lawrence Station Area is claimed to be 191%; the “average” for Tasman East Focus Area Specific Plan is claimed to be 215%; the “average” for the Patrick Henry Focus Area Specific Plan is claimed to be 119%.

A major problem with the draft is that in calculating the “average,” the draft excluded nearly half of the sites that should have been on the list. An average requires looking at all the data; only by listing all of the projects in each Specific Plan area can a true average be calculated. Here’s a complete list of “very high density” projects developed in the Lawrence

Station Area, indicating in ***bold and italics*** the ones that were missing from Table 13.6-3:

Project Name	Min. density [du/ac]	Acres	Units	Actual density [du/ac]	% of minimum density [column 5 divided by column 2]
2904 Corvin	51 du/ac	1.08	145	134 du/ac	134/51 = 263%
<i>2961 Corvin</i>	<i>51 du/ac</i>	<i>1.69</i>	<i>38</i>	<i>22.49</i>	<i>22.49/51 = 44%</i>
<i>3305 Kifer</i>	<i>51 du/ac</i>	<i>0.94</i>	<i>45</i>	<i>47.87</i>	<i>47.87/51 = 94%</i>
3560 Rambla	51 du/ac	2.49	251	100 du/ac	100/51 = 196%
3578 Rambla	51 du/ac	1.72	126	73 du/ac	73/51 = 143%
<i>3580 Rambla</i>	<i>51 du/ac</i>	<i>2.58</i>	<i>286</i>	<i>110.85</i>	<i>110.85/51 = 217%</i>
3517 Ryder	51 du/ac	3.92	328	83 du/ac	83/51 = 163%
				ACTUAL AVERAGE:	160%

The same error of omission was made in calculating the Tasman East “average”; by ignoring half of the data for the Specific Plan area, the draft makes the average appear higher than it actually is:

Project Name	Min./max. density [du/ac]	Acres	Units	Units/Acres	% of minimum density [column 5 divided by column 2]
2233 Calle Del Mundo	100-350	1.22	196	160	160%
2200 Calle Del Mundo	100-350	2.44	580	237	237%
2300 Calle De Luna	100-350	<i>5.52⁸</i>	700	<i>127</i>	<i>127%</i>
2343 Calle Del Mundo	100-350	2.63	347	131	131%
2302/2310 Calle Del Mundo	60-350	0.77	151	196	327%
<i>2354 Calle Del Mundo</i>	<i>60-350</i>	<i>0.50</i>	<i>89</i>	<i>178</i>	<i>297%</i>
<i>5123 Calle Del Sol</i>	<i>100-350</i>	<i>2.62</i>	<i>503</i>	<i>192</i>	<i>192%</i>
<i>5185 Lafayette</i>	<i>100 to 350</i>	<i>1.12</i>	<i>271</i>	<i>242</i>	<i>242%</i>
<i>2263 Calle Del Mundo</i>	<i>100 to 350</i>	<i>1.95</i>	<i>301</i>	<i>154</i>	<i>154%</i>

⁸ On the City’s chart, this is listed as 5.02, which appears to be a typo. The City Planning Department project listing lists it as 5.52, as does the County Assessor’s parcel map. We have corrected the other calculations accordingly.



HOUSING ELEMENT

Santa Clara City Council and
Santa Clara Planning Commission

January 22, 2023

Page 12



<i>2101 Tasman Dr.</i>	<i>100 to 350</i>	<i>9.03</i>	<i>950</i>	<i>105</i>	<i>105%</i>
<i>2354 Calle Del Mundo</i>	<i>60 to 350</i>	<i>0.46</i>	<i>89</i>	<i>193</i>	<i>322%</i>
<i>2225 Calle De Luna & 2232 Calle Del Mundo</i>	<i>100 to 350</i>	<i>2.1</i>	<i>371</i>	<i>183</i>	<i>183%</i>
				ACTUAL AVERAGE:	206%

If applying the “average” by Specific Plan area is indeed the proper way to calculate density as the draft argues, then for Lawrence Station the average is 160% of the minimum density, not 191%; for Tasman East, the average is 206%, not 215%.⁹ For Tasman East, the difference reduces the unit count by 43 units; for Lawrence Station, where the average was more skewed and more acreage is on the inventory, it has a bigger impact: 448 units.

This leaves the Patrick Henry area, where we cannot create a chart, because there is no valid data at all. The single proposed project (Pactron/Summerhill) listed on table 13.6-3 for the Patrick Henry area does not show an average or typical density of an existing or approved project. It does not show what even a single builder has succeeded in building at the listed percentage-of-minimum density. The statute directs that “typical densities of existing or approved residential developments at a similar affordability level in that jurisdiction” is the relevant data set; a single proposed but-not-yet-approved project, and a market-rate one at that, doesn’t meet the minimum test for consideration, because it is neither “typical” nor “existing or approved.” Government Code § 65583.2(c)(2). This rule makes good sense: A proposed project may not be approved or ever built, and so has not been tested by the real world to determine if it reflects the “realistic” capacity¹⁰; City staff may not even have reviewed it for compliance with Santa Clara zoning laws. Meanwhile, “typical” requires more than a handful, and certainly more than one. Because no housing has been built in the Patrick Henry area at all, the City lacks data on which to argue that the statutory directive of applying minimum density based on densities should be ignored or adjusted based on real-world experience. Meanwhile, the City’s calculations fail to account for the possibility that future projects may include commercial or office uses, even though several of the Patrick Henry zoning categories provide

⁹ We also note that at Tasman East, many of the projects included in the average were approved or built before the change in the zoning to allow nonresidential uses on the second and third floors. This increase in the ability to have nonresidential uses may substantially impact the construction mix going forward, which the City has failed to account for.

¹⁰ See Government Code § 65583(a)(3) (requiring a site inventory to show the “realistic and demonstrated potential for redevelopment”); § 65583.2(c) (“The inventory shall specify for each site the number of units that can realistically be accommodated . . .”); § 65583.2(c)(2)(C) (“A site may be presumed to be realistic for development to accommodate lower income housing if, at the time of the adoption of the housing element, a development affordable to lower income households has been proposed *and approved* for development on that site.”) (emphasis added).

this potential. The City should use the minimum densities as the fail-safe for this area of the City, where no housing has yet been built at all.¹¹

3. The Site Inventory Is Insufficient Based On Typical Densities For Highly Affordable Housing Projects.

If a city uses the minimum density under section 65583.2(c)(1), it can also treat the site as appropriate to develop at that minimum density for lower income housing under section 65583.2(c)(3), which provides that sites with a zoned density of at least 30 units/acre are considered adequate for lower income housing. But if the city does not use the minimum density, as the latest draft now proposes, it must differentiate between market-rate and affordable housing projects in developing a realistic estimate. Here, the City's draft is seriously flawed, because it relies almost exclusively on market-rate, rather than affordable, housing projects in calculating the capacity of the inventory.

Section 65583.2(c)(2) was amended in 2017 (AB 1397) to emphasize that "typical densities" are not sufficient; the relevant evidence from which to make a capacity calculation higher than minimum is by comparison to "typical densities of existing or approved residential developments *at a similar affordability level in that jurisdiction.*" *See also* Government Code § 65583(a)(3) (requiring that sites have a "realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level.").

A market-rate developer may be able to afford to build 300 units on 2.51 acres, or even 800 units on 6.5 acres, as Sares Regis proposes to do at Patrick Henry. But it is well-recognized that a 100% affordable income development generally cannot afford a project of this magnitude. As the HCD Site Inventory Guidebook explains:

To achieve financial feasibility, many assisted housing developments using state or federal resources are between 50 to 150 units. Parcels that are too small may not support the number of units necessary to be competitive and to access scarce

¹¹ The drafters also made a last-minute change in the creation of Appendix B (the site inventory), claiming that the Patrick Henry area densities should be calculated based on a 72% "percentage of maximum" instead of a 119% "percentage of minimum." This seemingly minor change makes a big difference – about 728 units – but the current draft of the Housing Element does not "demonstrate" why it is valid or realistic, as required. Government Code § 65583.2(c). The draft of the Housing Element had said that a 119% "percentage of minimum" should be used. Only the Appendix B site inventory, which was not circulated until after 5 p.m. on Friday January 20, 2023 – the last business day before the Planning Commission hearing – shows the new methodology. Note also that in the Tasman East area, with arguably the most similar zoning rules to Patrick Henry, the average "percentage of maximum" based on built and approved market-rate projects is only 50%, further casting doubt on the "72% of maximum" claim for Patrick Henry.



HOUSING ELEMENT

Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 14



funding resources. Parcels that are large may require very large projects, which may lead to an over concentration of affordable housing in one location, or may add cost to a project by requiring a developer to purchase more land than is needed, or render a project ineligible for funding.

HCD Site Inventory Guidebook (May 2020) at p. 15. These limitations are why the Legislature provided in AB 1397 that sites smaller than 0.5 acres, or larger than 10 acres, are usually ineligible, absent a specific evidentiary showing, to accommodate the need for lower income housing. *Id.*; Government Code § 65583.2(c)(2)(A) and (B). Indeed, the same law that added section 65583.2(c)(2)(A) and (B) also added the “similar affordability level” language to subsection (c)(2); the Legislature simultaneously added several provisions to ensure that site inventories realistically evaluate whether affordable housing will be produced. AB 1397 (Stats. 2017 ch. 375).

In order to depart from the minimum density, the draft would therefore need to show not just that market-rate projects can achieve higher-than-minimum densities like the 160% average in Lawrence Station, or 206% average in Tasman East, but that “typical densities” for a 100% affordable housing project do so as well, including at the very high densities projected for these sites.

Santa Clara’s draft fails to make this required showing. Of the projects on Table 13.6-3, or even the longer list discussed in the previous section, there is only one project that can be described as having a “similar” level of affordable housing (i.e., 100% affordable): the 1.08 acre project at 2904 Corvin. That project fits the general range of size for affordable housing – at 163 affordable units, it is close to the 50-150 unit range discussed by HCD. But it is one-of-a-kind: the first supportive housing in the City, heavily subsidized, and the only affordable housing project built in any of the three Specific Plan areas. One-of-a-kind is not “typical.”

The remaining site inventory in Tasman East, Lawrence Station, and Patrick Henry is projected to meet the needs for very low-, low-, and moderate-incomes (*see* p. 13.6-10, splitting the capacity 33.33 percent each to very low-, low- and moderate-incomes). Yet the data to support the claimed densities is based exclusively on market-rate projects that did not have this mix of affordability. In the Tasman East area, table 13.6-2 shows that of eleven projects, building 4,459 units of housing, the number of units of very low- and low-income housing accommodated is: zero. This shows that there are not “typical densities of existing or approved residential developments at a similar level of affordability” for this area. As stated above, there has been no housing built or approved in the Patrick Henry area at all; there is no “typical” market-rate project there, much less a typical density for a project with the level of affordability calculated by the inventory.

If Santa Clara wants to estimate a realistic production of affordable housing in the Tasman East, Lawrence Station, and Patrick Henry areas, where large, high density market-rate projects are being built, then it should estimate how much lower-income housing will be built

there based on the actual data.¹² That data shows that housing affordable to those in the very low-, low-, and moderate-income categories is produced at a rate somewhat less than the 12% inclusionary housing mandate under city law. (Which, notably, leads mostly to inclusion of moderate units and no very low- or low-income units for a large number of projects, *see* Table 13.6-2 (Pending and Approved Projects)). The draft fails to make a showing sufficient to satisfy section 65583.2(c), as amended by AB 1397. The real data shows that the current site inventory will never achieve the claimed production of affordable housing that Santa Clara presents in the Housing Element, or that is necessary to accommodate the needs of the community.

The solution is to determine the realistic capacity of the new high-density neighborhoods by projecting market-rate projects with their typical complement of affordable units, and then to supplement it with smaller, geographically dispersed sites to accommodate the remainder of the very low-, low-, and moderate-income need on sites that are realistic in scale and density for affordable housing projects. The City's experience shows that affordable housing developers build within a half-mile of grocery stores and that they build projects in the range of 50-150 units. Building in the Patrick Henry area, for example, satisfies neither of these – the area is currently a food desert (more than one mile to a grocery store) – and the parcel size and minimum density exceeds anything that is realistic and demonstrated for a project with 100% affordable housing.¹³ The City has numerous other opportunities for places where affordable housing developers could realistically build housing, e.g., along El Camino Real, or Stevens Creek Boulevard – if only the City would commit to rezoning to allow housing to be built there. Affordable housing developers should not have to run a years-long gauntlet of seeking special permission to build housing on realistic, underutilized sites, as was done with the Catholic Charities project at 1601 Civic Center. Adequate, available, realistic sites should be rezoned throughout the city to make it possible to realistically build the required amount of housing affordable to all income levels during the next eight years.

¹² If the City instead wants to rely on statutory presumptions like the “deemed adequate” statutory rule of section 65583.2(c)(3) to claim that these sites can be used for lower income housing, it should limit itself to the minimum densities that state law compels HCD to accept. The City's planners may know that even the minimum densities are not realistic for the largest sites (given that the size of the projects substantially exceeds what affordable developers actually build), but they would be able to rely on the statutory presumption, rather than speculative and unrealistic math.

¹³ For example, the projections that the need for 972 units of housing affordable to those with very low, low, or moderate incomes will be met by a project at 4701 Patrick Henry Drive, a 687-unit 100% affordable housing project at 3055 Patrick Henry, or a 664-unit 100% affordable housing project at 3350 Central Expressway, is simply not realistic. The City's experience with affordable projects matches well the HCD guidance about projects of 50-150 units.



Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 16



C. Land Zoned As Parks And Roads Is Not Available For Housing, And Should Be Removed From The Site Inventory.

Santa Clara's Specific Plan process has had significant success in beginning to create new vibrant neighborhoods for housing in the city. As part of the Specific Plan process, industrial parks were rezoned as high-density residential. However, portions of each Specific Plan area were not zoned as residential, but instead were zoned as either public right of way or for open space/parks. These portions cannot be included on the site inventory, and the portions of the parcels that are zoned non-residential should not be counted towards the realistic capacity. See Government Code § 65583.2(a); 65583.2(c).¹⁴

The Lawrence Station Area Plan zoned a strip of land running east-west across the district for parkland, running along what is now named Feliz Road. Part of that park has been built on the portion of the area that has developed as housing: a basketball court between La Rambla and Copper, and the Nuevo Community Garden between Copper and Pancoast. At Pancoast – the edge of the office/R&D park owned by Gemini/Rosemont (see below) – the park and Feliz Road end. Under the zoning laws of Santa Clara, however, if the Gemini/Rosemont owned parcels do end up being developed, the portion zoned as a public right of way (the continuation of Feliz Road) and parkland will not be housing. By failing to deduct the portion of the site that has been zoned as a new public right of way, and as open space/park, Santa Clara overstates the acreage available for development. While the City may have better information on this, based on our rough measurement, it would appear that approximately 2.33 acres of parcels 216-34-084 and -085 are zoned for “public right of way” or “Parks/Open Space” based on the Lawrence Station Area Plan.

The Patrick Henry Specific Plan likewise has zoned a substantial amount of open space/parkland, and new public roadways, to support the development of this neighborhood. While some of these plans may not come to fruition – the two data centers on parcels APN 104-04-076 and -077 will likely not be developed as housing in the next eight years, and the City is unlikely to “take” the land from the data center parcels for a park as shown on the Specific Plan – but other parcels on the inventory do include portions that were zoned “Open Space” (shown in

¹⁴ Under Government Code section 65583.2(a), site inventory can include only (1) vacant sites zoned residential, (2) vacant sites zoned for nonresidential but where residential development is permitted, (3) residentially zoned sites that are capable of being developed at a higher density, or (4) sites that can be redeveloped as residential where there is a plan to rezone the site for residential use. Land zoned as open space, or as a public right-of-way, does not fall under any of these categories because under residential construction is not allowed.

A different way of reaching the same result is that the land not zoned as residential is not properly included in the buildable area of the parcel, affecting the realistic capacity calculation. See Government Code § 65583.2(c)(2) (requiring adjustment of the number of units based on “land use controls”).

green on page 13.6-26). It thus appears that the following parcels should be adjusted on the inventory based on the portion zoned for residential use, as opposed to the portion zoned “Open Space” or where a new public roadway is indicated. While the City has better and more precise information, and is required to perform this analysis under section 65583.2(c)(2) as part of developing a realistic capacity estimate considering site constraints such as zoning laws, we offer the following estimate based on examination of Figure 13.6-4, and the provided scale, to illustrate that this issue materially affects the acreage available for residential housing:

APN	Gross Acreage	Open Space and Right of Way Zoning	Estimated Net Acreage Zoned Residential
104-04-124	4.7 ac	2.32 acres open space	2.38
104-04-128	2.5 ac	0.36 acres open space	2.14
104-04-094, -095	2.0 2.5	1.12 acres open space	3.38
104-04-131	3.8	0.96 acres public right-of-way	3.14
104-53-016	9.06 ¹⁵	2.17 acres open space and public right-of-way	5.12
104-04-136	3.8	1.42 acres open space and public right-of-way	2.6
104-04-138	1.7	1.12 acres open space ¹⁶	0.58
TOTALS	30.06	9.47 acres open space or public right of way	20.59

For the Tasman East Specific Plan, the zoning situation is the murkiest. No zoning map was drawn showing where the open space/parks will go. Instead, the Specific Plan shows circles with the desired acreage of parkland, 5 acres in all, and describes that each zone of the Specific

¹⁵ For purposes of this argument, we will analyze the 27 parcels of the Great America Technology Park as if they were a single parcel with APN 104-53-016, as shown on Figure 13.6-5. As stated above, there are in fact 27 different parcels, and parcel APN 104-53-016 is only 3,800 square feet. See section A.4 above.

¹⁶ The 1.12 acres of open space on this parcel are contingently zoned. If this parcel, zoned “High Density Flex” is developed for nonresidential use (i.e., a higher density office site), then the open space zoning does not apply. The zoning map indicates that the open space requirement only applies if the parcel is developed as high density residential. See * on figure 13.6-4 (“*Public parkland only required with residential development.”). Because this argument assumes that the site is properly included on the inventory (*but see* section A.2 above, explaining why it should not be), the parkland requirement would need to be taken into account in evaluating the acreage available for residential development.



HOUSING ELEMENT

Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 18



Plan is required to dedicate a certain acreage to parkland. *See* Draft Housing Element at Figure 13.6-2 (page 13.6-23); Tasman East Specific Plan at section 03.7 (p. 34).¹⁷ It also shows two public rights-of-way being added, one going north in the vicinity of APN 097-05-058,¹⁸ and the other going south to Tasman Drive across APN 097-05-056. The City does not explain (1) how much of the acreage on the inventory will be devoted to open space and park uses, instead of residential, or (2) how much a 100% affordable housing developer would need to pay the City to avoid this requirement. Assuming that the parkland constraint is in-kind, as the Specific Plan contemplates, then the remaining acreage would need to contribute approximately one acre,¹⁹ instead of developing them for residential use.

In total, the open space/park zoning and public right-of-way zoning reduces considerably the inventory of (nonvacant) land available for residential development, and sharply reduces the number of units.

¹⁷ The Tasman East Specific Plan, as amended through 12/22/20, is available here:
<https://www.santaclaraca.gov/home/showpublisheddocument/72208/637503896853000000>

¹⁸ Here, Figure 13.6-2 would appear to imply that approved project 097-05-059 has dedicated land providing half of the roadway, and that 097-05-058 will be expected to contribute the other half, since the gap between them is approximately half the width of the other streets shown.

¹⁹ This is a very rough estimate: It essentially takes the 1-acre parkland obligation of the “Center District” and treats it as the joint responsibility of all remaining sites. It assumes that the proposed projects have correctly accounted for their share of the parkland dedication obligation, such that their projects comply with City law, even though they have not yet been approved. If this assumption is incorrect, it would show a further problem with the Housing Element: an uncritical acceptance of a project proposal as reflecting a realistic estimate of capacity. The point here remains that it is the City’s obligation to analyze these constraints, not the public’s. Government Code § 65583.2(c)(2). The estimates we provide here are only to illustrate the significance of the issue to the Housing Element as a whole.

Summarizing the impact of the above discussion by using the same methodology applied in Appendix B:

Specific Plan	Acreage reduction for Parks/Right-of-Ways (Nonresidential Zoning)	Estimate of Units To Be Removed From Site Inventory Due To Non-Residential Zoning ²⁰
Lawrence Station	2.33 acres	227 units
Tasman East	~1 acre	215 units
Patrick Henry	9.47 acres	1,084 units
TOTAL		1,526 units to be removed in very low-, low-, and moderate-income categories

There are two solutions, one good and one awful. The good solution is to take the portion of the parcels zoned for parkland/open space or public rights-of-way off the inventory by reducing the acreage claimed on the inventory, to re-do the capacity math, and then to identify other places in the City that can realistically be redeveloped as affordable housing either based on existing zoning or on a plan to rezone. The awful one is amend the Specific Plans, rezone the open space and the street of these parcels as residential housing, and thwart all of the good land use planning work that the City did in adopting the Specific Plans to create livable neighborhoods from industrial parks. We urge the City to remove from the site inventory the claim that residential uses will be built on the open space and public right-of-way portions of the Tasman East, Lawrence Station, and Patrick Henry Specific Plans.

D. The Extensive Re-Use Of Sites Requires A New “Use By Right” Zoning Overlay.

In Government Code section 65583.2(c), nonvacant land listed in a prior housing element but not approved for development must be rezoned within three years so that any housing development in which at least 20 percent of the units are affordable to lower income households is entitled to “residential use by right.” (i.e., no requirement for conditional use permit, planned development permit, or other discretionary local government review). This would prevent subjective and discretionary permit processes – for example, subjective standards for “architectural review” – from being used to block housing projects that provide affordable housing.

The draft Housing Element for 2023-2031 lists nonvacant land listed in a prior housing element but not approved for development: All of the Tasman East sites on the draft for 2023-

²⁰ For purposes of this chart, we assume that the City’s projected densities – at 191% of the minimum for Lawrence Station, 215% of the minimum for Tasman East, or 72% of the maximum for Patrick Henry – are valid. *But see* section B above.



Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 20



2031 were already used on the site inventory for 2015-2023, and all of the Lawrence Station sites on the draft for 2023-2031 were already used on the site inventory for 2015-2023. *Compare* 2015-2023 Housing Element at tables 8.12-6-4 and 8.12-6-5 with draft 2023-2031 Housing Element at tables 13.6-9 and 13.6-10. Under section 65583.2(c), the City is therefore required to implement a program to rezone all of these sites by no later than three years from the adoption of the element, to permit “use by right” for housing developments if 20% of the units are affordable to low or very low income residents.

The City is aware of this requirement, but tries to argue around it, at page 13.6-12 to 13.6-13 of the draft, titled “Re-Use of Sites.” The City argues that because it rezoned the Tasman East and Lawrence Station sites during the 2015-2023 cycle for a higher density to conform to the General Plan, it can count the sites as “new” for purposes of the 2023-2031 cycle, and ignore that they were identified in a prior housing element. The argument will not hold up in court. The statute unambiguously states that if the site is nonvacant, was “identified” in a prior housing element, and was not approved for development, it “shall not be deemed adequate to accommodate a portion of the housing need for lower incomes households . . .” unless rezoned in the new housing element for “use by right.”

Nor does the City’s “rezoning for higher density” argument fit the facts: The sites were rezoned as part of a Government Code section 65583(c) program (albeit late, as explained in the next section). Indeed, if they had not been rezoned, the city would have had a shortfall of sites to address the 2015-2023 RHNA. Moreover, some of them are zoned at the exact same density stated in the 2015-2023 Housing Element. *See, e.g.,* APN 216-33-037.

If the City does not wish to implement a “use by right” overlay, it should remove the Tasman East and Lawrence Station sites from the inventory; almost all of them are being (re-)used to satisfy the very low and low income needs that they were designated to meet in the last Housing Element, and in the absence of a “use by right” rezoning, they do not meet the criteria under 65583.2(c) for being re-used.

E. The City Must Address The Unaccommodated Need From The 2015 Regional Housing Needs Allocation.

The City also failed to implement fully its 2015-2023 Housing Element. The consequence of its failure is that it must address both the unaccommodated 2015-2023 need and the new 2023-2031 need.

Where a city fails to implement a housing element, the unaccommodated need must be quickly accommodated during the next period. Government Code § 65584.09(a). Here, Santa Clara failed to timely implement what it promised in its 2015 Housing Element. The unaccommodated need from that period – the failure to provide adequate sites for lower income housing – carries over, and the city cannot use the same sites to meet both the 2015 need and the 2023 need.

We start with a description of the City's failure to make available adequate sites to accommodate the regional need identified in 2014. In the 2015-2023 Housing Element, the City stated that it believed the housing need could be accommodated on sites in the El Camino Real, Tasman East, and Lawrence Station "focus areas": areas that the City's general plan projected as suitable for rezoning as medium or high density residential, or mixed use, but which were not yet zoned to permit residential development. The Tasman East focus area and Lawrence Station focus area were zoned light industrial. The El Camino Real sites were zoned "thoroughfare commercial" or "community commercial": zoning that did not permit residential construction. No one could build housing on any of the sites in the inventory without rezoning.

Under section 65583.02(a), the inventory can only include sites that are (1) vacant and zoned for residential use, (2) vacant and zoned to allow residential development, (3) residentially zoned and capable of being developed at a higher density, or (4) "zoned for nonresidential use that can be redeveloped for residential use, and for which the housing element includes a program to rezone the site, as necessary, to permit residential use" The 2015 inventory was valid, if at all, because of the planned program to rezone all of the sites on the list under sections 65583.2(a)(4) and 65583(c).

A program to rezone sites to make them available is governed in part by Government Code section 65583(c)(1). That subsection required the City to "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 . . . share of the regional housing need for each income level that could not be accommodated on sites in the inventory . . . without rezoning" Under section 65583(c), the City was required to "set forth a schedule of actions during the planning period, each with a timeline for implementation . . . such that there will be beneficial impacts of the programs within the planning period"

The City's 2015-2023 Housing Element explained how it would comply with the law: It would engage in a comprehensive rezoning of the entire city to conform with the general plan, "to bring consistency between the Zoning Ordinance and the General Plan, implementing the General Plan goals by facilitating mixed use development and higher density residential development, protecting existing neighborhoods, and incentivizing redevelopment by appropriate development standards and streamlined procedures." The City stated that it would complete this action by mid-2016. *See* 2015-2023 Housing Element at pp. 8.12-122 – 8.12-123 ("Action 6: Zoning Ordinance").

The mid-2016 deadline was important; the action needed to be scheduled "such that there will be beneficial impacts of the programs within the planning period," and also kept the plan for rezoning on track to take place within the required three years. Government Code § 65583(c)(1)(A). Housing could not be constructed unless it were approved; housing would face more hurdles to approval until the rezoning took place; and so removing the obstacle of light industrial or commercial district zoning needed to take place early in the planning period to



HOUSING ELEMENT

Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 22



provide developers the ability to propose and proceed with housing built to meet the needs during the 2015-2023 time period.

By mid-2016, the City still had not completed the comprehensive rezoning that it identified as Action 6. The City blamed problems with its outside consultant for not completing it in by the deadline of 2016, and promised it would be done in 2017. But even then, the City didn't complete it. The draft was finally circulated for public comment in summer 2022 – while the City was working on the 2023 Housing Element – and won't be voted on by the City Council until sometime in 2023. The draft 2023-2031 Housing Element acknowledges that Action 6 is incomplete, and now lists the comprehensive zoning ordinance update as Action 9 in the new plan: "Complete the comprehensive update to the Zoning Ordinance by early 2023." (p. 13.2-13).

The City thus did not implement the 2015 Housing Element, and did not rezone, as promised, the sites listed in its 2015-2023 inventory. While the City listed 158 parcels along El Camino Real in its 2015-2023 plan as having the ability to satisfy the housing needs of the community, it left the commercial district zoning in place for the entire 2014-2022 period. To this day, anyone wanting to build housing on most of those parcels (excluding the few that went through the City's discretionary process for a rezoning) needs to apply for a zoning variance, contrary to state law, which required not just an expectation of potential rezoning to match the general plan, but actual implementation of the Housing Element by the City. Meanwhile, the City planning staff proposed a rezoning of these sites repeatedly as part of the El Camino Real Specific Plan, but the City Council still has not taken action, and has deferred further discussion. The program actions in the 2015-2023 Housing Element to rezone or provide adequate sites were thus not fully implemented.

Having failed to implement the rezoning as required by state housing law and promised in the 2015-2023 Housing Element to take place by mid-2016, the City is now subject to section 65584.09, which provides:

[I]f a city or county in the prior planning period failed to identify or make available adequate sites to accommodate that portion of the regional housing need allocated pursuant to Section 65584, then the city or county shall, within the first year of the planning period of the new housing element, zone or rezone adequate sites to accommodate the unaccommodated portion of the regional housing need allocation from the prior planning period.

Santa Clara easily accommodated the need for above-moderate income housing during the 2015-2023 period: It issued building permits for 4,606 units. It appears to have accommodated the 2015-2023 need for moderate income housing, at least if project approvals, rather than actually constructed units, are counted. But it fell seriously short for the "very low" and "low" income categories. The City granted building permits for only 289 very-low-income units, 246 low-income units, and 125 units affordable to those with moderate incomes. This leaves a substantial

shortfall to be addressed from the last period, in addition to the substantial new need for the new period.

Even if the City's rezoning of adequate sites – albeit ones where no affordable housing has been built, and may never be – is counted,²¹ the City has a substantial shortfall:

	Very Low	Low
2015-2023 RHNA Need	1,050	695
Building Permits (from Table 13.7-2)	289	246
“Adequate” Sites Rezoned in Tasman East ²²	121	61
“Adequate” Sites Rezoned in Lawrence Station ²³	13	7
Approvals of Affordable Housing (from Table 13.6-2) ²⁴	163	145

²¹ A reasonable interpretation of the term “unaccommodated portion of the regional housing need allocation” would exclude all deductions from the prior RHNA except affordable housing units actually built. After all, no one's actual needs are accommodated by housing that was never built. Using building permits as a proxy for this, the unaccommodated very-low-income need would be 761 units, and the unaccommodated low-income need would be 449. However, the distinction might make very little difference to the ultimate math below: Omitting the rezoned adequate sites in Tasman East and Lawrence Station, and omitting the approved affordable housing elsewhere in the City, would result in a higher number for the “unaccommodated portion,” but these sites could then be counted as meeting the 2023-2031 need if they will result in new housing during the next eight years, as the City argues at p. 13.6-2. The critical point here, as explained in the text, is that the City cannot double-count.

We do not think the City can fairly consider the Patrick Henry rezoning as having accommodated any portion of the need from the prior Housing Element, even for those sites that might be considered adequate in the 2023-2031 cycle, given that it was rezoned so late in the period.

²² We do not include the data center or the sites that are smaller than 0.5 acres, because these sites are not adequate, as the City has recognized by removing them from the inventory of sites adequate for lower income housing. We also put “adequate” in quotes here because we have not analyzed whether the other sites are in fact adequate for lower income housing sites (e.g., suitable, available, realistic); the City should do so as part of its analysis.

²³ We do not include the Gemini Rosemont Technology Park, or the data centers on Corvin that were included in the 2015 site inventory but have been deleted from the 2023 site inventory, because these sites are not adequate. We also put “adequate” in quotes here because we have not analyzed whether the other sites are in fact adequate for lower income housing sites (e.g., suitable, available, realistic); the City should do so as part of its analysis.

²⁴ In calculating this number, we attempted to count those projects listed as “approved” (since proposed projects did not meet the need for affordable housing in 2015-2023), and to



HOUSING ELEMENT

Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 24



Approvals of Affordable Housing: 1601 Civic Center ²⁵	106	
Unaccommodated Portion Of 2015-2023 RHNA:	358	236

In determining the affordable housing requirements for its 2023-2031 Housing Element, the City is not allowed to use the same sites or projects to count toward both the 2015-2023 need and the 2023-2031 need. It must instead plan for both the unaccommodated need and the newly allocated need. *See* Government Code § 65584.09(b). This means that the City's analysis at page 13.6-2 is flawed because it engages in double-counting: The City is claiming that the building permits and approvals from 2015-2023 accommodated a portion of the housing need for that period *and* that the same building permits and approvals from 2015-2023 address the newly allocated need for 2023-2031.

Again, the City's failure to follow through on its 2015 Housing Element has a consequence: the City is now obliged to meet the unaccommodated need from the 2015-2022 period as well as the regional need identified for the 2023-2031 period. Adequate sites must be rezoned within one year to address this unaccommodated portion of the 2015-2023 RHNA need.

avoid double-counting those projects that were counted towards building permit goals on Table 13.6-2. We believe that 3905 Freedom, Gateway, and Agrihood were not counted towards building permits, but that Clara Gardens, The Meridian, and 2330 Monroe each had building permits issued and were counted in Table 13.6-2. The City planning department should perform the calculation itself using the information available to it; this calculation should be viewed as illustrative.

²⁵ We note that this site is not included in the Housing Element. If the City has information that it will not be developed, or that the approval is not final, then it would be removed from this calculation.

Santa Clara City Council and
 Santa Clara Planning Commission
 January 22, 2023
 Page 25



F. Conclusion: The Draft Housing Element Cannot Be Certified.

The issues identified in this letter show that the “Adoption Draft” is not yet ready for adoption at all. It contains unrealistic sites, unsupported projections, claims that lower income housing can be built on sites zoned as open space or even public right-of-ways, and other violations of state law. The City cannot make the required findings to support it, because it lacks the evidence to support the claims it makes about whether the existing inventory is sufficient to meet the considerable and pressing need for housing at all levels of affordability. While meeting the deadline is important, passing a valid Housing Element is even more so. It is better to be late than to be wrong, and the City should not want to see its Housing Element invalidated by the State or a court.

Respectfully submitted,

Thomas B. Mayhew

Charles J. Higley Thomas B. Mayhew

TBM:tb

3661515246660.2

With copies to:

Reena Brilliot, Assistant Director, Santa Clara Community Development Department
 E-Mail: RBrilliot@SantaClaraCA.gov

John Davidson, Principal Planner, Santa Clara Planning Division
 E-Mail: JDavidson@SantaClaraCA.gov

Jose Jauregui, State of California, Department of Housing and Community Development
 Email: Jose.Jauregui@hcd.ca.gov



FIGURE 11: FORMAL COMMENT LETTER: HOUSING ACTION COALITION



**FARELLA
BRAUN + MARTEL LLP**

THOMAS B. MAYHEW
tmayhew@fbm.com
D 415.954.4948

CHARLES J. HIGLEY
cjhigley@fbm.com
D 415.954.4942

February 23, 2023

Via E-mail

Paul McDougall, Senior Program Manager
Jose Jauregui, Housing Policy Analyst
State of California
Business, Consumer Services and Housing
Agency
California Department of Housing and
Community Development
Division of Housing Policy Development
2020 W. El Camino Avenue, Suite 500
Sacramento CA 95833

paul.mcdougall@hcd.ca.gov

jose.jauregui@hcd.ca.gov

Re: City of Santa Clara Housing Element As Adopted
Comments of Housing Action Coalition

Dear Mr. McDougall and Mr. Jauregui:

This letter will address the capacity calculations the City of Santa Clara used in preparing the site inventory for its adopted Housing Element. As will be explained, the Housing Action Coalition¹ asks that you find the Housing Element not to be in substantial compliance because it overstates the capacity of the site inventory to accommodate Santa Clara's share of the regional need for housing, particularly for lower income categories.

As explained in further detail below, Santa Clara's capacity calculations are flawed because:

1. In the case of the Lawrence Station and Tasman East sites, they are based on incomplete data.
2. In the case of the Patrick Henry sites, they are based on no data.
3. In all three cases, they do not take into account AB 1397, requiring an analysis of typical densities of projects with "a similar affordability level in that jurisdiction."

¹ The Housing Action Coalition is a nonprofit that advocates for building more homes at all levels of affordability to alleviate the Bay Area and California's housing shortage, displacement, and affordability crisis.

California Department of
Housing and Community Development
February 23, 2023
Page 2



A. Background

First, for context, some background on the drafting of the capacity calculation portion of Santa Clara's Housing Element.

The capacity calculations issue is not one that HCD has previously reviewed for Santa Clara. In the earlier August 22, 2022 draft submitted to HCD, Santa Clara used minimum densities (the safe harbor under section 65583.2(c)(1)) to calculate the capacity of the site inventory to accommodate the RHNA. But in a comment letter on November 30, 2022, following HCD's comments, Housing Action Coalition pointed out that a number of sites on the inventory were unrealistic: they had existing uses that were not "likely to discontinue" during the planning period.

In response, Santa Clara removed a number of sites, including six large data centers and a fire station that were unlikely to be redeveloped as housing. But rather than identify new sites for the inventory, Santa Clara instead added only an upward adjustment of the number of units claimed for each site, and an argument that the remaining sites had the capacity to fully accommodate the RHNA.

The final draft of the site inventory, showing the new math, was not made public until after 5 p.m. on Friday, January 20, just days before the January 24 Planning Commission meeting and City Council meeting on January 31. This sharply limited the opportunity for public analysis and comment on this major change to the Housing Element.

We submitted a comment Sunday night, in advance of the Tuesday Planning Commission hearing, but this left limited time for staff to consider that their analysis had omitted important information. Given the approaching deadline of January 31, the Planning Commission and City Council quickly adopted the Housing Element without further changes, and without taking the time to correct any errors.

The Santa Clara Housing Element discusses the "realistic capacity" calculation – the methodology the City uses to estimate the number of units that each parcel will accommodate for purposes of meeting the RHNA requirements – at pages 13.6-7 through 13.6-10. The approach is described at page 13.6-10 in the final paragraph of the section:

Because each Specific Plan has its own distinct land use designations and affordability requirements, realistic capacity for available sites was calculated based on the average of percent above minimum density allowed per Specific Plan of existing and approved projects (see Table 13.6-3). Percent above the minimum density allowed was used to remain conservative, realistic, and to account for the wide range of Specific Plan densities allowed (from 20 du/ac in Lawrence Station to 350 du/ac maximum in Tasman East). . . .



HOUSING ELEMENT

California Department of
Housing and Community Development
February 23, 2023
Page 3



The following averages were used to calculate realistic capacity, per Specific Plan area:

- Lawrence Station Area Plan: minimum densities x 191%
- Tasman East Focus Area Specific Plan: minimum densities x 215%
- Patrick Henry Drive Specific Plan: maximum densities x 72% (based on Specific Plan assumptions) was used as there are currently no existing or approved projects in the Patrick Henry Drive Specific Plan area.

Housing Element at p. 13.6-10.

B. The Lawrence Station And Tasman East “Averages” Are Based On Incomplete Data.

An “average” is not an average unless it includes all of the data. Unfortunately, for both the Lawrence Station and Tasman East areas, Santa Clara’s analysis omitted key data in calculating the multipliers of 191% for Lawrence Station and 215% for Tasman East. The actual averages are lower. While these errors alone might not show that the site inventory is insufficient to meet the RHNA, it is important to correct them because they will be used for No Net Loss calculations in the future.

1. The Tasman East Average Is Actually 160-201%, Not 215%.

At table 13.6-3, Santa Clara lists six projects, and calculates an average “% above allowed minimum density.” However, the average is inaccurate because Santa Clara did not include all existing and approved projects from the Tasman East area. A comparison with Table 13.6-2 – which lists eleven pending and approved projects in the Tasman East area – reveals the error. The following chart shows the correct average, with ***bold and italics*** used to indicate the information that was incorrect or omitted from the table:

Project Name	Min./max. density [du/ac]	Acres	Units	Units/Acres	% of minimum density [column 5 divided by column 2]
2233 Calle Del Mundo	100-350	1.22	196	160	160%
2200 Calle Del Mundo	100-350	2.44	580	237	237%

2300 Calle De Luna	100-350	5.52 ²	700	127	127%
2343 Calle Del Mundo	100-350	2.63	347	131	131%
2302/2310 Calle Del Mundo	60-350	0.77	151	196	327%
2354 Calle Del Mundo	60-350	0.50	89	178	297%
5123 Calle Del Sol	100-350	2.62	503	192	192%
2263 Calle Del Mundo	100 to 350	1.95	301	154	154%
2225 Calle De Luna & 2232 Calle Del Mundo	100 to 350	2.1	371	183	183%
				AVERAGE (mean):	201%
				AVERAGE (median):	160%

Including all of the projects in the Tasman East area shows that the capacity calculation in the adopted Housing Element is inflated by these errors. Note, we have also excluded two additional projects that appear in table 13.6-2 because they are “proposed” rather than “approved”:

5185 Lafayette	100 to 350	1.12	271	242	242%
2101 Tasman Dr.	100 to 350	9.03	950	105	105%

If these two additional projects were included in the list, the average percentage above minimum would go down further, to 196%.

If an average (mean) percentage of 201% is applied (instead of 215%), the total units on the inventory attributable to the Tasman East sites goes from 1,123 to 1,050, a decrease of 73 units. Not a huge difference, but potentially important to the people who might live in those units, as well as to determining when No Net Loss provisions will first apply.

Alternatively, HCD should consider whether a “median” is more appropriate than a “mean” in determining the average. A median avoids skewing the result based on outliers. The significant difference between the mean and the median here shows that outliers – two sites built at 327% and 297% of the minimum density – are leading to a high mean without being reflective of the data set. Using the median of 160% (instead of 215%) would reduce the total units on the inventory in Tasman East from 1,123 to 837 units, a decrease of 286 units.

² On the City’s chart, this is listed as 5.02, which appears to be a typo. The City Planning Department project listing lists it as 5.52, as does the County Assessor’s parcel map. We have corrected the units/acres and % of minimum density calculations accordingly.



HOUSING ELEMENT

California Department of
Housing and Community Development
February 23, 2023
Page 5



2. The Lawrence Station Average Is Actually 134%-140%, Not 191%.

Table 13.6-3 lists four sites in the Lawrence Station area, comprising 9.21 acres, and then calculates an “average” of 191%. Here too, the site inventory omits other sites developed in the Specific Plan area: the ones listed comprise less than 25% of the 38 acres developed or approved.

It is more difficult to calculate an “average” for the Lawrence Station area because a single project – the Summerhill Nuevo project, comprising 29.4 acres and 988 units – included a large number of parcels, and resulted in areas of higher and lower density mixed in with other public amenities like roads and open space/parks.³ Santa Clara has ignored these elements that lowered the overall density of the project (which averaged just 33.6 du/ac), and instead lists only two (of the three) apartment buildings that were part of the project, as if those two apartment buildings were standalone projects.

Because the mix of density rules applied to the Summerhill project makes the “percentage of minimum” approach challenging to apply, we will present several ideas of how it could have been properly incorporated. Ultimately, however, the point is that Santa Clara’s current approach, by claiming an average that was not based on all of the data, is invalid. Each of these approaches shows that the current multiplier of 191%-of-minimum-density overstates the typical densities in the Lawrence Station area.

The first idea is, as with the Tasman East analysis above, to adjust Table 13.6-3 to simply incorporate the missing data by adding in the other Lawrence Station area projects that were omitted, including the large Summerhill project, and then deleting the two subcomponents of the Summerhill project that were included in Table 13.6-3. The resulting chart would look like this,

³ In our comment letter to Santa Clara on January 21, 2023, we pointed out that the requirements of open space/parks and additional public right-of-ways would reduce the net buildable acreage, and that the site inventory should be adjusted accordingly. See Housing Action Coalition letter dated January 22, 2023 at pp. 16-19 (explaining that 2.33 acres of the Lawrence Station sites, and 9.47 acres of the Patrick Henry sites, are designated for parks or roadways, not zoned for housing). At the hearing before the Planning Commission, the City Attorney’s office responded derisively that this was unnecessary because Santa Clara’s minimum density rules are applied to gross acreage, inclusive of parks and roadways. However, if gross acreage is the appropriate measure as the City Attorney’s office argued, it must be consistently applied: the City cannot cherry-pick the highly dense apartment parcels and ignore that they were approved and built as part of a package with dedicated open space and roadways as part of the same project. The densities of the projects shown on table 13.6-3 are inflated by omitting the “gross acreage” of the parkland and roadways that were dedicated to the City in order to obtain approvals of the high density apartment buildings. The City cannot use net buildable acreages for calculating the capacity multiplier, then apply that multiplier to gross acreages inclusive of parkland and roadway requirements.

with ***bold and italics*** for the missing information, and ~~strikethrough~~ text for the Summerhill Nuevo subcomponents:

Idea 1: Substitute the entire Summerhill project into the chart

Project Name	Min. density [du/ac]	Acres	Units	Actual density [du/ac]	% of minimum density [column 5 divided by column 2]
2904 Corvin	51 du/ac	1.08	145	134 du/ac	$134/51 = 263\%$
<i>2961 Corvin</i>	<i>20 du/ac</i>	<i>1.69</i>	<i>38</i>	<i>22.49</i>	<i>$22.49/20 = 112\%$</i>
<i>3305 Kifer</i>	<i>20 du/ac</i>	<i>1.91</i>	<i>45</i>	<i>23.6</i>	<i>$23.6/20 = 118\%$</i>
3560 Rambla	51 du/ac	2.49	251	100 du/ac	$100/51 = 196\%$
3578 Rambla	51 du/ac	1.72	126	73 du/ac	$73/51 = 143\%$
<i>3505 Kifer (Summerhill Nuevo)⁴</i>	<i>26 du/ac⁵</i>	<i>29.4</i>	<i>988</i>	<i>33.6 du/ac</i>	<i>$33.6/20 = 168\%$</i>
3517 Ryder	51 du/ac	3.92	328	83 du/ac	$83/51 = 163\%$
				AVERAGE (mean):	165%
				AVERAGE (median):	163%

However, this first approach overweights the smaller sites to a very significant degree: a one acre site – and one which has very unique attributes, as will be discussed below – is given the same weight as the Summerhill Nuevo site, which used 29 times as much land. This inflates the percentage-of-minimum, and overestimates the site capacities.

The second approach breaks the Summerhill site into smaller components: leaving the two apartment buildings (3560 and 3578 Rambla) on the chart, but then adding the third

⁴ 3505 Kifer is the address for the entire Summerhill project – 988 units – in the Lawrence Station Area Plan. 3560 Rambla and 3578 Rambla are portions of the project (individual buildings), and so are stricken from this chart based on the inclusion of the larger project.

⁵ Because there are three different minimum densities for the Summerhill Nuevo site – 51 du/ac west of Rambla, 8 du/ac north of Boyter, and 20 du/ac east of Rambla – we have estimated the rough proportions of each, and derived a weighted average minimum density. 3.5 acres at 8 du/ac, 17 acres at 20 du/ac, and 7.5 acres at 51 du/ac yields a total minimum number of units of 750 units, divided by 28 acres. The City may have more precise information about the acreage; figuring it out is more difficult because of the subdivision of the lots as part of the project, which renders the current County Assessor's Map unhelpful for this purpose.



HOUSING ELEMENT

California Department of
Housing and Community Development
February 23, 2023

Page 7



apartment building, and three hypothetical projects that were also components of the Summerhill Nuevo development: (1) the 41 unit single family lots north of Boyton, (2) the 114 “E-towns” in the medium density portion, and (3) the 176 “Town Flats” in the medium density portion. The parkland and roadway dedications are distributed geographically with the site that they are adjacent to.

Idea 2: Substitute the components of the Summerhill project into the chart

Project Name	Min. density [du/ac]	Acres	Units	Actual density [du/ac]	% of minimum density [column 5 divided by column 2]
2904 Corvin	51 du/ac	1.08	145	134 du/ac	$134/51 = 263\%$
<i>2961 Corvin</i>	<i>20 du/ac</i>	<i>1.69</i>	<i>38</i>	<i>22.49</i>	<i>$22.49/20 = 112\%$</i>
<i>3305 Kifer</i>	<i>20 du/ac</i>	<i>1.91</i>	<i>45</i>	<i>23.56</i>	<i>$23.56/20 = 118\%$</i>
3560 Rambla (Summerhill Nuevo)	51 du/ac	2.49	251	100 du/ac	$100/51 = 196\%$
3578 Rambla (Summerhill Nuevo)	51 du/ac	1.72	126	73 du/ac	$73/51 = 143\%$
<i>3580 Rambla (Summerhill Nuevo)</i>	<i>51 du/ac</i>	<i>2.58 + .91 = 3.49⁶</i>	<i>286</i>	<i>81.95 du/ac</i>	<i>$81.95/51 = 161\%$</i>
<i>Summerhill Nuevo – single family north of Boyton</i>	<i>8 du/ac</i>	<i>3.5</i>	<i>41</i>	<i>11.71 du/ac</i>	<i>$11.7/8 = 146\%$</i>
<i>Summerhill Nuevo – “E-towns”</i>	<i>20 du/ac</i>	<i>6.5</i>	<i>114</i>	<i>17.54 du/ac</i>	<i>$17.5/20 = 88\%$⁷</i>

⁶ The additional acreage is for the added roadway and community center that is bordered on three sides by the three apartment buildings. Rather than distribute the acreage to all three apartment buildings (and correct the acreage for 3560 and 3578 Rambla), we here assign all of the roadway and community center land west of Rambla to the largest of the three apartment buildings.

⁷ Note that here, the percentage for these two subcomponents of the Summerhill Nuevo project is shown as less than the minimum density. This is because the bulk of the parkland for the entire project is in the area east of Rambla. If a portion of the parkland parcels was instead proportionally allocated to the apartment buildings including 3560 and 3578 Rambla—where the City used only the acreage of the parcels that the buildings are on—then all of the components of the Summerhill project would be compliant with the minimum density zoning rules. (See “Idea 3” below). There is an additional wrinkle that for a set of buildings north of Boyton, the Lawrence Station Area Plan zoned the land as “very high density” (minimum 51 du/ac), but the

<i>Summerhill Nuevo – “Town Flats”</i>	<i>20 du/ac</i>	<i>10.5</i>	<i>176</i>	<i>16.8 du/ac</i>	<i>16.8/20 = 84%</i>
3517 Ryder	51 du/ac	3.92	328	83 du/ac	83/51 = 163%
				AVERAGE (mean):	147%
				AVERAGE (median):	143%-146%

A third approach is to limit the analysis to those projects on the land zoned as high density, but to assign a proportionate share (by unit count) of the parkland and roadway dedications that were part of the Summerhill Nuevo project to the three apartment buildings for that project:

Idea 3: High Density Projects Only, But Including Open Space/Roadways

Project Name	Min. density [du/ac]	Acres	Units	Actual density [du/ac]	% of minimum density [column 5 divided by column 2]
2904 Corvin	51 du/ac	1.08	145	134 du/ac	134/51 = 263%
3560 Rambla	51 du/ac	2.49 + 1.08 = 3.57	251	70 du/ac	70/51 = 137%
3578 Rambla	51 du/ac	1.72 + 0.54 = 2.26	126	56 du/ac	56/51 = 110%
3580 Rambla	51 du/ac	2.58 + 1.24 = 3.82	286	75 du/ac	75/51 = 147%
3517 Ryder	51 du/ac	3.92	328	83 du/ac	83/51 = 163%
				AVERAGE (mean):	164%
				AVERAGE (median):	147%

One virtue of this last approach is that it is limited to a more apples-to-apples comparison: all of the sites had a minimum density of 51 du/ac, rather than trying to mix in with medium or low density projects. Particularly since, with one exception, the site inventory applies the multiplier

final approved project included medium density on that portion of the site. We have not tried to adjust for that fractional portion, but instead have calculated the numbers as if it had a minimum of 20 du/ac, not 51 du/ac. Adjusting to take into accounting the 51 du/ac minimum north of Boyton and east of Copper would reduce the “percentage-of-minimum” further.



HOUSING ELEMENT

California Department of
Housing and Community Development
February 23, 2023
Page 9



to those Lawrence Station sites with a minimum density of 51 du/ac, this approach is probably the most appropriate.

However, there is a last important piece to note, which materially affects all of the numbers above. The first site on Table 13.6-3, included in all of the charts above, i.e., 2904 Corvin, is an exceptional situation which is unrepresentative of projects likely to occur in the sites on the inventory. As explained on the City's website and in other press coverage,⁸ 2904 Corvin is a 144 "micro-unit" affordable housing project, built primarily as supportive housing for those making a transition from homelessness, and including on-site support services. Because it has 144 units affordable to those with low or very low incomes (plus a two bedroom manager's unit), it was able to apply density bonuses to significantly exceed the maximum zoned density for the Lawrence Station Specific Plan (which would have limited it to 108 units; 1.08 acres times 100 du/ac). On completion, it will have 80 units reserved for the homeless: single occupancy, 300 square foot, "micro-studios" with a private bathroom and kitchenette. The construction was heavily subsidized by a county bond measure to build affordable housing specifically for the homeless. It is not representative of the likely density of a project that includes 30% moderate income or even 30% low income units, because most affordable housing projects build larger units that can accommodate families. It is thus not fairly considered in calculating a "typical" density. It should be excluded from the analysis to avoid distorting the capacity calculation. Without it, the averages (mean) above are significantly reduced: 140% for idea 1, 134% for idea 2, 139% for idea 3.⁹

Because Lawrence Station has a greater amount of land on the inventory, and because the "average" was distorted by more significant errors, the impact of adjusting the capacity multiplier is much higher than for Tasman East. If a percentage based on "average" (mean) above the minimum of 139% is applied – which we think would be the most principled, because it excludes the homeless supportive housing project at 2904 Corvin, and then limits the analysis to high or very high density sites, while taking due account of the parkland/roadway dedication issue and other omitted sites – the site inventory would be reduced by 572 units: 234 in the very low income category, 169 in the low income category, and 169 in the moderate income category.

⁸<https://www.santaclaraca.gov/Home/Components/BusinessDirectory/BusinessDirectory/280/2495?alpha=L>; <https://sanjosespotlight.com/santa-clara-first-supportive-housing-project-breaks-ground/>

⁹ The medians for the three are 118-163%, 143%, and 137-147%; a "median" when calculating an average based on four items in a data set is less helpful than when deriving a median from a longer data set. But the three medians here help support the validity of the 139% statistic; they do not diverge to the same significant degree as the Tasman East median and mean.

C. The Patrick Henry “Average” Is Based On No Data.

We turn next to the Patrick Henry area, where we cannot create a chart, because there is no valid data at all.

Here, Santa Clara used a multiplier of “maximum densities x 72%,” and explains that it was used “as there are currently no existing or approved projects in the Patrick Henry Specific Plan area. Santa Clara included no rationale for the number in the Housing Element, contrary to the requirements in Government Code section 65583.2(c), which requires that the City “determine,” “specify,” “demonstrate,” “calculate,” and appropriately “adjust” a “realistic” number, using “typical densities of existing or approved residential developments.” Absent sufficient information, Santa Clara is not permitted to simply imagine that 72% is an appropriate multiplier. It should instead use the established minimum density. Government Code § 65583.2(c)(1).

Based on the drafting history, the apparent inspiration of the 72% statistic is a single proposed project (Pactron/Summerhill) listed on table 13.6-3 for the Patrick Henry area. In the draft circulated the week before the final Planning Commission hearing, the draft had indicated that it would use a 119% “percentage of minimum” based on this proposal. The day before the Planning Commission hearing, staff made a last-minute change in the creation of Appendix B (the site inventory), claiming that the Patrick Henry area densities should be calculated based on a 72% “percentage of maximum” instead of a 119% “percentage of minimum.” To the extent that the Pactron/Summerhill proposal is in fact the basis for the 72%, it is flawed.

First, this proposal does not show an average or typical density of an existing or approved project. It does not show what even a single builder has succeeded in building at the listed percentage-of-minimum density. The statute directs that “typical densities of existing or approved residential developments at a similar affordability level in that jurisdiction” is the relevant data set; a single proposed but-not-yet-approved project, and a market-rate one at that, doesn’t meet the minimum test for consideration, because it is neither “typical” nor “existing or approved,” Government Code § 65583.2(c)(2). This rule makes good sense: A proposed project may not be approved or ever built, and so has not been tested by the real world to determine if it reflects the “realistic” capacity¹⁰; City staff may not even have reviewed it for compliance with Santa Clara zoning laws. Meanwhile, “typical” requires more than a handful, and certainly more than one. Because no housing has been built in the Patrick Henry area at all, the City lacks data on which to argue that the statutory directive of applying minimum density

¹⁰ See Government Code § 65583(a)(3) (requiring a site inventory to show the “realistic and demonstrated potential for redevelopment”); § 65583.2(c) (“The inventory shall specify for each site the number of units that can realistically be accommodated . . .”); § 65583.2(c)(2)(C) (“A site may be presumed to be realistic for development to accommodate lower income housing if, at the time of the adoption of the housing element, a development affordable to lower income households has been proposed *and approved* for development on that site.”) (emphasis added).



HOUSING ELEMENT

California Department of
Housing and Community Development
February 23, 2023
Page 11



based on densities should be ignored or adjusted based on real-world experience. Meanwhile, the City's calculations fail to account for the possibility that future projects may include commercial or office uses, even though several of the Patrick Henry zoning categories provide this potential. The City should use the minimum densities as the fail-safe for this area of the City, where no housing has yet been built at all.

Second, the last minute switch from a "percentage of minimum" (the approach used for Tasman East and Lawrence Station) to a 72% "percentage of maximum" was used to inflate the numbers based on the very high maximums used for Patrick Henry. This seemingly minor change makes a big difference – about 728 units – but the current draft of the Housing Element does not "demonstrate" why the "percentage of maximum" is valid or realistic, as required. Government Code § 65583.2(c). A "percentage of maximum" untethers the approach from reality: a jurisdiction could choose (to take an extreme example) a 1,000 du/ac "maximum" and then claim that lower income housing needs are accommodated even though no project has ever been built with that density. Note also that in the Tasman East area, with arguably the most similar zoning rules to Patrick Henry, the average "percentage of maximum" based on built and approved market-rate projects is only 50%, further casting doubt on the "72% of maximum" claim for Patrick Henry.

Absent a data-driven reason for the "72% of maximum" multiplier for the Patrick Henry area, Santa Clara fails to justify the upward adjustments it applied. The minimum density should be used instead. This makes a big difference: 3,207 units total for the Patrick Henry area, instead of 4,549, and a failure to meet the very low income RHNA.

D. Santa Clara Failed To Analyze The "Typical Densities Of Existing Or Approved Residential Developments At A Similar Affordability Level."

If a city uses the minimum density under section 65583.2(c)(1), it can also treat the site as appropriate to develop at that minimum density for lower income housing under section 65583.2(c)(3), which provides that sites with a zoned density of at least 30 units/acre are considered adequate for lower income housing. But if the city does not use the minimum density, as the latest draft now proposes, it must differentiate between market-rate and affordable housing projects in developing a realistic estimate. Government Code § 65583.2(c)(2). Here, the City's Housing Element is seriously flawed, because it relies almost exclusively on market-rate, rather than affordable, housing projects in calculating the capacity of the inventory.

Section 65583.2(c)(2) was amended in 2017 (AB 1397) to emphasize that "typical densities" are not sufficient; the relevant evidence from which to make a capacity calculation higher than minimum is by comparison to "typical densities of existing or approved residential developments *at a similar affordability level in that jurisdiction.*" See also Government Code § 65583(a)(3) (requiring that sites have a "realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level.").

A market-rate developer may be able to afford to build 300 units on 2.51 acres, or even 800 units on 6.5 acres, as Sares Regis proposes to do at Patrick Henry. But it is well-recognized that a 100% affordable income development generally cannot afford a project of this magnitude. As the HCD Site Inventory Guidebook explains:

To achieve financial feasibility, many assisted housing developments using state or federal resources are between 50 to 150 units. Parcels that are too small may not support the number of units necessary to be competitive and to access scarce funding resources. Parcels that are large may require very large projects, which may lead to an over concentration of affordable housing in one location, or may add cost to a project by requiring a developer to purchase more land than is needed, or render a project ineligible for funding.

HCD Site Inventory Guidebook (May 2020) at p. 15. These limitations are why the Legislature provided in AB 1397 that sites smaller than 0.5 acres, or larger than 10 acres, are usually ineligible, absent a specific evidentiary showing, to accommodate the need for lower income housing. *Id.*; Government Code § 65583.2(c)(2)(A) and (B). Indeed, the same law that added section 65583.2(c)(2)(A) and (B) also added the “similar affordability level” language to subsection (c)(2); the Legislature simultaneously added several provisions to ensure that site inventories realistically evaluate whether affordable housing will be produced. AB 1397 (Stats. 2017 ch. 375).

In order to depart from the minimum density, Santa Clara would therefore need to show not just that market-rate projects can achieve higher-than-minimum densities like the 139% average in Lawrence Station, or 201% average in Tasman East, but that “typical densities” for a 100% affordable housing project do so as well, including at the very high densities projected for these sites.

Santa Clara’s Housing Element fails to make this required showing. Of the projects on Table 13.6-3, or even the more complete lists discussed above, there is only one project that can be described as having a “similar” level of affordable housing (i.e., 100% below market rate): the 1.08 acre project at 2904 Corvin. That project fits the general range of size for affordable housing – at 145 affordable units, it is within the 50-150 unit range discussed by HCD. But it is one-of-a-kind: the first homeless supportive housing in the City, heavily subsidized, with single-occupancy “micro-units” that are only 300 square feet in size, and the only affordable housing project built in any of the three Specific Plan areas. One-of-a-kind is not “typical.”

The remaining site inventory in Tasman East, Lawrence Station, and Patrick Henry is projected to meet the needs for very low-, low-, and moderate-incomes (*see* p. 13.6-10, splitting the capacity 33.33 percent each to very low-, low- and moderate-incomes). Yet the data to support the claimed densities is based exclusively on market-rate projects that did not have this mix of affordability. In the Tasman East area, table 13.6-2 shows that of eleven projects, building 4,459 units of housing, the number of units of very low- and low-income housing



HOUSING ELEMENT

California Department of
Housing and Community Development
February 23, 2023
Page 13



accommodated is: zero. This shows that there are not “typical densities of existing or approved residential developments at a similar level of affordability” for this area. As stated above, there has been no housing built or approved in the Patrick Henry area at all; there is no “typical” market-rate project there, much less a typical density for a project with the level of affordability calculated by the inventory.

Moreover, as further explained in our letter of January 21, many of the sites include areas that have been zoned as parkland or right-of-ways. While the City Attorney’s Office argued at the Planning Commission hearing that the gross acreage of the sites could nonetheless be included because a housing developer could use the gross acreage in calculating the minimum/maximum number of units permitted by the zoning, this ignores the practical reality: a more dense project (i.e., the same number of units, squeezed into a smaller buildable footprint) is a much more expensive one. Taking APN 104-04-124 as an example, 2.32 of the 4.7 acres is zoned for a park; any development would need to put all of the units on the remaining 2.38 acres. Instead of building a 502 unit project on 4.7 acres, Santa Clara apparently contends that an affordable housing developer will build 2.32 acres of park, and then build all 502 units on the 2.38 acres that remain (a built density of 211 du/ac). This speculation is not realistic. No affordable housing developer has ever built such a development in Santa Clara.

If Santa Clara wants to estimate a realistic production of affordable housing in the Tasman East, Lawrence Station, and Patrick Henry areas, where large, high density market-rate projects are being built (instead of using the safe harbor of minimum densities), then it should estimate how much lower-income housing will be built there based on the actual data of affordable housing production in market rate projects.¹¹ That data shows that housing affordable to those in the very low-, low-, and moderate-income categories is produced at a rate somewhat less than the 12% inclusionary housing mandate under city law. (Which, notably, leads mostly to inclusion of moderate units and no very low- or low-income units for a large number of projects, *see* Table 13.6-2 (Pending and Approved Projects)). The site inventory could include the high density projects, but should only include the realistic number of units in the lower income categories that are historically built in projects of this type. The current Housing Element fails to make a showing sufficient to satisfy section 65583.2(c), as amended by AB 1397. The real data shows that the current site inventory will never achieve the claimed production of affordable housing that Santa Clara presents in the Housing Element, or that is necessary to accommodate the needs of the community.

¹¹ If the City instead wants to rely on statutory presumptions like the “deemed adequate” statutory rule of section 65583.2(c)(3) to claim that these sites can be used for lower income housing, it should limit itself to the minimum densities that state law compels HCD to accept. The City’s planners may know that even the minimum densities are not realistic for the largest sites (given that the size of the projects substantially exceeds what affordable developers actually build), but they would be able to rely on the statutory presumption, rather than speculative and unrealistic math.

The solution is to determine the realistic capacity of the new high-density neighborhoods by projecting market-rate projects with their typical complement of affordable units, and then to supplement it with smaller, geographically dispersed sites to accommodate the remainder of the very low-, low-, and moderate-income need on sites that are realistic in scale and density for affordable housing projects. The City's experience shows that affordable housing developers generally build within a half-mile of grocery stores and that they build projects in the range of 50-150 units. Building in the Patrick Henry area, for example, satisfies neither of these – the area is currently a food desert (more than one mile to a grocery store) – and the parcel size and minimum density exceeds anything that is realistic and demonstrated for a project with 100% affordable housing.¹² The City has numerous other opportunities for places where affordable housing developers could realistically build housing, e.g., along El Camino Real, or Stevens Creek Boulevard – if only the City would commit to rezoning to allow housing to be built there. Affordable housing developers should not have to run a years-long gauntlet of seeking special permission to build housing on realistic, underutilized sites, as was done with the Catholic Charities project at 1601 Civic Center. Adequate, available, realistic sites should be rezoned throughout the city to make it possible to realistically build the required amount of housing affordable to all income levels during the next eight years.

¹² For example, the projections that the need for 972 units of housing affordable to those with very low, low, or moderate incomes will be met by a project at 4701 Patrick Henry Drive, a 687-unit 100% affordable housing project at 3055 Patrick Henry, or a 664-unit 100% affordable housing project at 3350 Central Expressway, is simply not realistic. The City's experience with affordable projects matches well the HCD guidance about projects of 50-150 units.



HOUSING ELEMENT

California Department of
Housing and Community Development
February 23, 2023
Page 15



E. Conclusion

Applying a minimum density approach to capacities, as Santa Clara did with its earlier draft reviewed by HCD, is simple. When Santa Clara instead made its eleventh hour addition to the Housing Element, projecting much larger housing production for the same sites, it was required to do so based on actual evaluation of the typical densities for projects with a similar level of affordability. As explained above, Santa Clara's Housing Element did not comply with this statutory mandate. HCD should find that Santa Clara's Housing Element, as adopted on January 31, 2023, is not in substantial compliance with state law.

Respectfully submitted,

Thomas B. Mayhew

Charles J. Higley

TBM:tb

3661515297926.1

With copies to:

Reena Brilliot, Assistant Director, Santa Clara Community Development Department
E-Mail: RBrilliot@SantaClaraCA.gov

John Davidson, Principal Planner, Santa Clara Planning Division
E-Mail: JDavidson@SantaClaraCA.gov

Appendix B: Housing Element Sites Inventory

HCD Electronic Sites Inventory Table A

Jurisdiction Name	Site Address/Intersection	5 Digit ZIP Code	Assessor Parcel Number	Consolidated Sites	General Plan Designation (Current)	Zoning Designation (Current)	Minimum Density Allowed (units/acre)	Max Density Allowed (units/acre)	Parcel Size (Acres)	Existing Use/Vacancy	Infrastructure	Publicly-Owned	Site Status	Identified in Last/Last Two Planning Cycle(s)	Lower Income Capacity	Moderate Income Capacity	Above Moderate Income Capacity	Total Capacity	Optional Information1 [Notes]	Optional Information2 [Project Status]	Optional Information3 [Project Name]
SANTA CLARA	2101 Tasman Drive	95054	097-05-056	I	DHRE	TN	100	350	6.635837	Vacant Building - Office (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Proposed	TE 2101 Tasman Drive (Related California)
SANTA CLARA	2101 Tasman Drive	95054	097-05-057	I	DHRE	TN	100	350	2.3864	Light Industrial / Manufacturing (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	950	950		Proposed	TE 2101 Tasman Drive (Related California)
SANTA CLARA	2200 Calle De Luna	95054	097-05-058		DHRE	TN	100	350	3.699773	Vacant Lot (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	69	510	579		Approved	TE 2200 Calle De Luna (Holland)
SANTA CLARA	2233 Calle Del Mundo	95054	097-05-059		DHRE	TN	100	350	1.164296	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	195	0	1	196		Under Construction	TE 2233 Calle Del Mundo (St. Anton)
SANTA CLARA	2263 Calle Del Mundo	95054	097-05-060	J	DHRE	TN	60	350	0.955107	Low Intensity Office (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Approved	TE 2263 Calle Del Mundo (Ensemble)
SANTA CLARA	2263 Calle Del Mundo	95054	097-05-061	J	DHRE	TN	60	350	0.98725	Low Intensity Office (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	301	301		Approved	TE 2263 Calle Del Mundo (Ensemble)
SANTA CLARA	2343 Calle Del Mundo	95054	097-05-110		DHRE	TN	100	350	2.866977	Vacant Lot (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	41	305	346	Prior APNs: 097-05-064, -063, and -062	Approved	TE 2343 Calle Del Mundo (Summerhill)
SANTA CLARA	5191 Lafayette Street	95054	097-46-001		TN	TN	60	350	0.512947	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	47	19	0	66		Available	
SANTA CLARA	2354 Calle Del Mundo	95054	097-46-002		DHRE	TN	60	350	0.458703	Light Industrial / Manufacturing (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	10	78	88		Approved	TE 2354 Calle Del Mundo (Ensemble)
SANTA CLARA	2346 Calle Del Mundo	95054	097-46-003		TN	TN	60	350	0.458668	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	30	29	59		Available	
SANTA CLARA	2338 Calle Del Mundo	95054	097-46-004		TN	TN	60	350	0.458805	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	30	29	59		Available	
SANTA CLARA	2330 Calle Del Mundo	95054	097-46-005		TN	TN	60	350	0.459186	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	30	29	59		Available	
SANTA CLARA	2322 Calle Del Mundo	95054	097-46-006		TN	TN	60	350	0.459186	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	30	29	59		Available	
SANTA CLARA	2301 Calle De Luna	95054	097-46-007		TN	TN	60	350	0.459185	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	30	29	59		Available	
SANTA CLARA	2309 Calle De Luna	95054	097-46-008		TN	TN	60	350	0.459186	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	30	29	59		Available	
SANTA CLARA	2317 Calle De Luna	95054	097-46-009		TN	TN	60	350	0.460984	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	30	29	59		Available	
SANTA CLARA	2325 Calle De Luna	95054	097-46-010		DHRE	TN	60	350	0.472659	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	30	30	60		Available	
SANTA CLARA	5185 Lafayette Street	95054	097-46-011		DHRE	TN	60	350	0.897176	Low Intensity Office (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	15	183	198		Proposed	TE 5185 Lafayette (Ensemble)
SANTA CLARA	2300 Calle De Luna	95054	097-46-016	K	DHRE	TN	100	350	1.287041	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	TE 2300 Calle De Luna (Related California)
SANTA CLARA	2300 Calle De Luna	95054	097-46-017	K	DHRE	TN	100	350	1.531507	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	TE 2300 Calle De Luna (Related California)
SANTA CLARA	2300 Calle De Luna	95054	097-46-018	K	DHRE	TN	100	350	1.173241	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	684	684		Under Construction	TE 2300 Calle De Luna (Related California)
SANTA CLARA	5123 Calle Del Sol	95054	097-46-019	M	DHRE	TN	100	350	1.865499	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	TE 5123 Calle Del Sol (Ensemble) - Phase I & II
SANTA CLARA	2225 Calle De Luna	95054	097-46-020	N	DHRE	TN	100	350	1.067009	Low Intensity Office (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Approved	TE 2225 Calle de Luna & 2232 Calle del Mundo
SANTA CLARA	2271 Calle De Luna	95054	097-46-021		TN	TN	60	350	0.929071	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	84	35	0	119		Available	
SANTA CLARA	2281 Calle De Luna	95054	097-46-023		TN	TN	60	350	0.939815	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	85	36	0	121		Available	
SANTA CLARA	2302/2310 Calle Del Mundo	95054	097-46-024		DHRE	TN	60	350	0.987249	Light Industrial / Manufacturing (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	150	0	1	151		Approved/Under Construction	TE 2302/2310 Calle Del Mundo (Ensemble)
SANTA CLARA	2272 Calle Del Mundo	95054	097-46-025		TN	TN	60	350	0.481745	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	31	31	62		Available	
SANTA CLARA	2262 Calle Del Mundo	95054	097-46-026		TN	TN	60	350	0.482516	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	44	326	370		Available	
SANTA CLARA	2232 Calle Del Mundo	95054	097-46-027	N	DHRE	TN	60	350	1.086643	Light Industrial / Manufacturing (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	31	31	62		Approved	TE 2225 Calle de Luna & 2232 Calle del Mundo
SANTA CLARA	2300 Calle De Luna	95054	097-46-028	K	DHRE	TN	100	350	1.609845	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	TE 2300 Calle De Luna (Related California)
SANTA CLARA	5123 Calle Del Sol	95054	097-46-029	M	DHRE	TN	60	350	0.782628	Vacant Building - Fast Food Drive Through (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	503	503		Approved/Under Construction	TE 5123 Calle Del Sol (Ensemble) - Phase I & II
SANTA CLARA	2203 Tasman Drive	95054	097-46-030		TN	TN	100	350	1.026134	Low Intensity Retail / Commercial (strip mall)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	154	66	0	220		Available	
SANTA CLARA	3575 De La Cruz Boulevard	95054	101-15-049		VLDL	B	1	18	0.696784	Vacant Lot (pending project)	YES - Current	YES - City-Owned	Pending Project	Not Used in Prior Housing Element	13	2	0	15	Approved using AB 3194 (PLN22-00518)	Approved	3575 De La Cruz Boulevard
SANTA CLARA	5155 Stars & Stripes Drive	95054	104-01-102	L	UCED	PD-MC	37	90	35.853211	Vacant - Golf Course (pending project)	YES - Current	YES - City-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Approved	Related Santa Clara - Phase 1
SANTA CLARA	5155 Stars & Stripes Drive	95054	104-03-036		UCED	PD-MC	37	90	86.154827	Vacant - Golf Course (pending project)	YES - Current	YES - City-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Approved	Related Santa Clara - Phase 1
SANTA CLARA	5155 Stars & Stripes Drive	95054	104-03-037		UCED	PD-MC	37	90	4.012292	Vacant - Parking Lot (pending project)	YES - Current	YES - City-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Approved	Related Santa Clara - Phase 1
SANTA CLARA	5155 Stars & Stripes Drive	95054	104-03-039	L	UCED	PD-MC	37	90	2.990044	Vacant - Parking Lot (pending project)	YES - Current	YES - City-Owned	Pending Project	Not Used in Prior Housing Element	0	20	1660	1680		Approved	Related Santa Clara - Phase 1
SANTA CLARA	2901 Patrick Henry Drive	95054	104-04-078		HDR	UV	100	149	6.496663	Low Intensity Office (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	80	40	680	800		Proposed	PHD Sares Regis
SANTA CLARA	3200 Patrick Henry Drive	95054	104-04-089		HDR	UV	100	149	1.285564	Medium / High Intensity Office	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	96	41	0	137		Available	
SANTA CLARA	3000 Patrick Henry Drive	95054	104-04-093		HDR	UV	100	149	2.518497	Low Intensity Office (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	31	15	261	307		Approved	PHD Summerhill
SANTA CLARA	2950 Patrick Henry Drive	95054	104-04-094		HDR	UV	100	149	2.517905	Low Intensity Office	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	189	81	0	270		Available	
SANTA CLARA	2900 Patrick Henry Drive	95054	104-04-095		HDR	UV	100	149	1.983616	Low Intensity Office	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	149	63	0	212		Available	
SANTA CLARA	4590 Patrick Henry Drive	95054	104-04-123		HDR	UV	100	149	2.795228	Low Intensity Office (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	40	20	353	413		Proposed	PHD Walnut Hill
SANTA CLARA	3200 Patrick Henry Drive	95054	104-04-124		HDR	UV	100	149	4.679705	Medium / High Intensity Office	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	352	150	0	502		Available	
SANTA CLARA	3100 Patrick Henry Drive	95054	104-04-128		HDR	UV	100	149	2.519292	Low Intensity Office	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	189	81	0	270		Available	
SANTA CLARA	3105 Patrick Henry Drive	95054	104-04-131		VHDL	VHDL	51	99	3.795996	Low Intensity Office	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	189	81	0	270		Available	
SANTA CLARA	3055 Patrick Henry Drive	95054	104-04-136		UC	UC	120	250	3.821098	Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	481	206	0	687		Available	
SANTA CLARA	4699 Old Ironsides Drive	95054	104-04-138		HDF	HDF	60	149	1.734805	Medium / High Intensity Office	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	131	55	0	186		Available	
SANTA CLARA	4677 Old Ironsides Drive	95054	104-04-139		HDF	HDF	60	149	2.531554	Medium / High Intensity Office	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	190	81	0	271		Available	
SANTA CLARA	4655 Old Ironsides Drive	95054	104-04-140		HDF	HDF	60	149	2.696689	Medium / High Intensity Office	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	203	86	0	289		Available	
SANTA CLARA	4633 Old Ironsides Drive	95054	104-04-141		HDF	HDF	60	149	2.60243	Medium / High Intensity Office	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	196	83	0	279		Available	
SANTA CLARA	3905 Freedom Circle	95054	104-40-021	H	VHDL	PD	51	100	8.224978	Vacant Lot (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Approved	3905 Freedom Circle Mixed-Use Project (Greystar)
SANTA CLARA	3905 Freedom Circle	95054	104-40-036	H	VHDL	PD	51	100	5.136416	Vacant Lot (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	108	54	913	1075		Approved	3905 Freedom Circle Mixed-Use Project (Greystar)
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-001	O	VR	VR	60	149	0.091117	Low Intensity Office (condo units)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	0	0		Available	
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-002	O	VR	VR	60	149	0.113874	Low Intensity Office (condo units)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	0	0		Available	
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-003	O	VR	VR	60	149	0.091117	Low Intensity Office (condo units)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	0	0		Available	
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-004	O	VR	VR	60	149	0.078111	Low Intensity Office (condo units)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	0	0		Available	
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-005	O	VR	VR	60	149	0.113879	Low Intensity Office (condo units)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	0	0		Available	
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-006	O	VR	VR	60	149	0.091122	Low Intensity Office (condo units)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	0	0		Available	
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-007	O	VR	VR	60	149	0.078107	Low Intensity Office (condo units)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	0	0		Available	
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-008	O	VR	VR	60	149	0.078105	Low Intensity Office (condo units)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	0	0		Available	
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-009	O	VR	VR	60	149	0.069394	Low Intensity Office (condo units)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	0	0		Available	
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-010	O	VR	VR	60	149	0.069395	Low Intensity Office (condo units)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	0	0		Available	
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-011	O	VR	VR	60	149	0.078101	Low Intensity Office (condo units)	YES - Current	NO - Priv									

Jurisdiction Name	Site Address/Intersection	5 Digit ZIP Code	Assessor Parcel Number	Consolidated Sites	General Plan Designation (Current)	Zoning Designation (Current)	Minimum Density Allowed (units/acre)	Max Density Allowed (units/acre)	Parcel Size (Acres)	Existing Use/Vacancy	Infrastructure	Publicly-Owned	Site Status	Identified in Last/Last Two Planning Cycle(s)	Lower Income Capacity	Moderate Income Capacity	Above Moderate Income Capacity	Total Capacity	Optional Information1 [Notes]	Optional Information2 [Project Status]	Optional Information3 [Project Name]
SANTA CLARA	2909 Corvin Drive 137	95051	216-63-034	G	MDRE	LSAP	20	36	0.015456	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2909 Corvin Drive 135	95051	216-63-035	G	MDRE	LSAP	20	36	0.015076	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2909 Corvin Drive 133	95051	216-63-036	G	MDRE	LSAP	20	36	0.015486	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2911 Noyce Place 189	95051	216-63-037	G	MDRE	LSAP	20	36	0.016692	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2911 Noyce Place 187	95051	216-63-038	G	MDRE	LSAP	20	36	0.015251	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2911 Noyce Place 185	95051	216-63-039	G	MDRE	LSAP	20	36	0.015603	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2911 Noyce Place 183	95051	216-63-040	G	MDRE	LSAP	20	36	0.01509	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2911 Noyce Place 181	95051	216-63-041	G	MDRE	LSAP	20	36	0.016675	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2913 Corvin Drive 155	95051	216-63-042	G	MDRE	LSAP	20	36	0.017455	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2913 Corvin Drive 153	95051	216-63-043	G	MDRE	LSAP	20	36	0.015685	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2913 Corvin Drive 151	95051	216-63-044	G	MDRE	LSAP	20	36	0.015311	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2913 Corvin Drive 149	95051	216-63-045	G	MDRE	LSAP	20	36	0.015696	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2913 Corvin Drive 147	95051	216-63-046	G	MDRE	LSAP	20	36	0.015283	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2913 Corvin Drive 145	95051	216-63-047	G	MDRE	LSAP	20	36	0.016728	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2915 Corvin Drive 167	95051	216-63-048	G	MDRE	LSAP	20	36	0.01766	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2915 Corvin Drive 165	95051	216-63-049	G	MDRE	LSAP	20	36	0.015871	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2915 Corvin Drive 163	95051	216-63-050	G	MDRE	LSAP	20	36	0.015453	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2915 Corvin Drive 161	95051	216-63-051	G	MDRE	LSAP	20	36	0.015863	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2915 Corvin Drive 159	95051	216-63-052	G	MDRE	LSAP	20	36	0.015462	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2915 Corvin Drive 157	95051	216-63-053	G	MDRE	LSAP	20	36	0.016921	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-001	F	MDRE	LSAP	20	36	0.018175	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-002	F	MDRE	LSAP	20	36	0.014359	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-003	F	MDRE	LSAP	20	36	0.013386	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-004	F	MDRE	LSAP	20	36	0.013886	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-005	F	MDRE	LSAP	20	36	0.014359	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-006	F	MDRE	LSAP	20	36	0.018212	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-007	F	MDRE	LSAP	20	36	0.018166	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-008	F	MDRE	LSAP	20	36	0.017487	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-009	F	MDRE	LSAP	20	36	0.014832	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-010	F	MDRE	LSAP	20	36	0.013556	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-011	F	MDRE	LSAP	20	36	0.018148	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-012	F	MDRE	LSAP	20	36	0.018203	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-013	F	MDRE	LSAP	20	36	0.018174	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-014	F	MDRE	LSAP	20	36	0.01436	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-015	F	MDRE	LSAP	20	36	0.013388	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-016	F	MDRE	LSAP	20	36	0.013339	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-017	F	MDRE	LSAP	20	36	0.014365	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-018	F	MDRE	LSAP	20	36	0.012157	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-019	F	MDRE	LSAP	20	36	0.017459	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-020	F	MDRE	LSAP	20	36	0.014843	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-021	F	MDRE	LSAP	20	36	0.01355	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-022	F	MDRE	LSAP	20	36	0.017479	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-023	F	MDRE	LSAP	20	36	0.018039	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-024	F	MDRE	LSAP	20	36	0.018147	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-025	F	MDRE	LSAP	20	36	0.018169	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-026	F	MDRE	LSAP	20	36	0.014816	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-027	F	MDRE	LSAP	20	36	0.013542	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-028	F	MDRE	LSAP	20	36	0.017469	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-029	F	MDRE	LSAP	20	36	0.019411	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-030	F	MDRE	LSAP	20	36	0.013386	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-031	F	MDRE	LSAP	20	36	0.013029	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-032	F	MDRE	LSAP	20	36	0.019274	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-033	F	MDRE	LSAP	20	36	0.012775	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	4	34	38		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-034	F	MDRE	LSAP	20	36	0.014202	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-035	F	MDRE	LSAP	20	36	0.014205	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-036	F	MDRE	LSAP	20	36	0.012779	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-037	F	MDRE	LSAP	20	36	0.016811	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-038	F	MDRE	LSAP	20	36	0.017874	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2935 El Camino Real	95051	220-32-059	F	MDRE	PD	20	36	1.873895	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	4	44	48	Previously Zoned CT	Under Construction	3035 El Camino Real Residential Project
SANTA CLARA	2213 El Camino Real	95050	224-15-029	RMU	CC	RMU	37	50	1.231422	Low Intensity Retail / Commercial (strip mall)	Yes - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	32	14	0	46	rounding error	Under Construction	Sites to be Rezonned
SANTA CLARA	2065 El Camino Real	95050	224-15-037	RMU	CT	RMU	37	50	6.363758	Low Intensity Retail / Commercial (strip mall)	Yes - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	167	71	0	238	Sites to be Rezonned	Under Construction	Sites to be Rezonned
SANTA CLARA	2330 Monroe Street	95050	224-37-068	MDR	R1-6L	MDR	20	36	2.690116	Under Construction (pending project)	YES - Current	YES - City-Owned	Pending Project	Not Used in Prior Housing Element	64	0	1	65	R1-6L zoning approved using AB 3		

HCD Electronic Sites Inventory Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need

Jurisdiction Name	Site Address/Intersection	5 Digit ZIP Code	Assessor Parcel Number	Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income	Type of Shortfall	Parcel Size (Acres)	Current General Plan Designation	Current Zoning	Proposed General Plan (GP) Designation	Proposed Zoning	Minimum Density Allowed	Maximum Density Allowed	Total Capacity	Vacant/ Nonvacant	Description of Existing Uses	Infrastructure	Optional Information1	Optional Information2
SANTA CLARA	4341 El Camino Real	95051	213-37-015	13	10	10	0	Shortfall of Sites	0.9	RMU	CT	RMU	RMU	37	50	33	Non-Vacant	Commercial	YES - Current	1973	0.72
SANTA CLARA	3775 El Camino Real	95051	213-35-035	20	15	15	0	Shortfall of Sites	1.32	RMU	CC	RMU	RMU	37	50	49	Non-Vacant	Commercial	YES - Current	1980	0.81
SANTA CLARA	3755 El Camino Real	95051	213-35-032	17	13	13	0	Shortfall of Sites	1.16	RMU	CC	RMU	RMU	37	50	43	Non-Vacant	Commercial	YES - Current	1978	0.37
SANTA CLARA	3725 El Camino Real	95051	213-34-008	8	6	6	0	Shortfall of Sites	0.56	RMU	CC	RMU	RMU	37	50	21	Non-Vacant	Commercial	YES - Current	1971	0.24
SANTA CLARA	3735 El Camino Real	95051	213-34-012	27	20	20	0	Shortfall of Sites	1.83	RMU	CC	RMU	RMU	37	50	68	Non-Vacant	Commercial	YES - Current	1972	0.16
SANTA CLARA	3705 El Camino Real	95051	213-34-010	66	50	50	0	Shortfall of Sites	4.47	RMU	CC	RMU	RMU	37	50	165	Non-Vacant	Commercial	YES - Current	1972	0.43
SANTA CLARA	3615 El Camino Real	95051	213-34-004	53	40	40	0	Shortfall of Sites	3.58	RMU	CC	RMU	RMU	37	50	132	Non-Vacant	Commercial	YES - Current	1972	0.25
SANTA CLARA	1460 Halford Avenue	95051	313-05-012	17	13	13	0	Shortfall of Sites	1.18	RMU	CC	RMU	RMU	37	50	44	Non-Vacant	Commercial	YES - Current	1973	0.63
SANTA CLARA	1484 Halford Avenue	95051	313-05-011	19	14	14	0	Shortfall of Sites	1.29	RMU	CC	RMU	RMU	37	50	48	Non-Vacant	Commercial	YES - Current	1973	0.12
SANTA CLARA	3750 El Camino Real	95051	313-05-010	10	7	7	0	Shortfall of Sites	0.67	RMU	CC	RMU	RMU	37	50	25	Non-Vacant	Commercial	YES - Current	1976	0.17
SANTA CLARA	3740 El Camino Real	95051	313-06-003	10	7	7	0	Shortfall of Sites	0.66	RMU	CC	RMU	RMU	37	50	24	Non-Vacant	Commercial	YES - Current	1968	0.17
SANTA CLARA	3590 El Camino Real	95051	290-01-115	10	7	7	0	Shortfall of Sites	0.67	RMU	CT	RMU	RMU	37	50	25	Non-Vacant	Commercial	YES - Current	1967	0.11
SANTA CLARA	3580 El Camino Real	95051	290-01-116	23	17	17	0	Shortfall of Sites	1.56	RMU	CT	RMU	RMU	37	50	58	Non-Vacant	Commercial	YES - Current	1970	0.37
SANTA CLARA	3570 El Camino Real	95051	290-01-117	6	4	4	0	Shortfall of Sites	0.39	RMU	CT	RMU	RMU	37	50	14	Non-Vacant	Commercial	YES - Current	1968	0
SANTA CLARA	2789 El Camino Real	95051	216-01-059	21	16	16	0	Shortfall of Sites	1.41	RMU	CT	RMU	RMU	37	50	52	Non-Vacant	Commercial	YES - Current	1991	0.52
SANTA CLARA	2775 El Camino Real	95051	216-01-058	19	14	14	0	Shortfall of Sites	1.25	RMU	CT	RMU	RMU	37	50	46	Non-Vacant	Commercial	YES - Current	1991	0.44
SANTA CLARA	2725 El Camino Real	95051	216-01-040	17	13	13	0	Shortfall of Sites	1.15	RMU	CT	RMU	RMU	37	50	43	Non-Vacant	Commercial	YES - Current	1987	0.26
SANTA CLARA	2213 El Camino Real	95050	224-15-029	18	14	14	0	Shortfall of Sites	1.22	RMU	CT	RMU	RMU	37	50	45	Non-Vacant	Commercial	YES - Current	1962	0.43
SANTA CLARA	2065 El Camino Real	95050	224-15-037	95	71	71	0	Shortfall of Sites	6.43	RMU	CC	RMU	RMU	37	50	238	Non-Vacant	Commercial	YES - Current	1952	0.48
SANTA CLARA	2200 El Camino Real	95050	290-10-078	13	10	10	0	Shortfall of Sites	0.89	RMU	CC	RMU	RMU	37	50	33	Non-Vacant	Commercial	YES - Current	1979	0.2
SANTA CLARA	2120 El Camino Real	95050	290-10-028	14	11	11	0	Shortfall of Sites	0.97	RMU	CC	RMU	RMU	37	50	36	Non-Vacant	Commercial	YES - Current	2013	0.67

Notes:

State law also includes specific criteria for assessment of the realistic availability of non-vacant sites during the planning period. If non-vacant sites accommodate half or more of the lower-income need, the Housing Element must present “substantial evidence” that the existing use does not constitute an impediment to additional residential use on the site. Due to the built-out nature of Santa Clara, most sites have existing uses. Non-vacant sites included in the inventory have been selected using the following criteria, which are indicated for each non-vacant site in the detailed sites matrix included in Appendix B. A site identified under criterion 1, 2, or 3 requires no further factors. These criteria have been applied to all available sites (this does not include pending project sites).

- 1) Interest: Developer interest or property owner interest to redevelop the site.
- 2) Vacant Lots: Completely vacant lot.
- 3) City or County Ownership: Property is under City or County ownership, with defined intent to redevelop the site with a residential use at a higher density.
- 4) Redevelopment Trend for Existing Use: Uses that are similar to those that have been previously recycled in Santa Clara (e.g., industrial uses, small shopping centers, offices, stand-alone restaurants and retail uses, properties zoned exclusively for residential use that are currently developed well below the zoning capacity).
- 5) Participation in Specific Plan planning process: Property is located within a defined Specific Plan area and/or the property owner participated in the Specific Plan planning process.
- 6) Underutilized Residential Site. Property is zoned for residential use at a higher density than existing use or property is zoned residential and existing use is non-conforming.
- 7) Building/Land Value: Property improvement value is less than half of the land value (ratio is less than 1.00), indicating substantial underinvestment and the ability of a property owner to achieve financial gain through redevelopment.
- 8) Year: Structure was built prior to 1985 (and therefore over 36 years of age) but is not a designated or eligible historic structure, indicating that properties may need substantial improvements or replacement for maximum financial return.
- 9) Lease: Site has no existing tenant lease(s) or lease(s) expires or lease(s) have buy-out clauses within in 6th cycle planning period (where known).

Chapter 13.1

Introduction

Background and Purpose

The City of Santa Clara continues to be a desirable place to live and in recent years the City has adopted new policies and provided funding to achieve more affordable housing opportunities in the community, as well as preparing long range plans to add new high-density, amenity rich neighborhoods that provide a variety of affordability options.

The historic agricultural nature of Santa Clara was forever changed with the invention of the semiconductor chip in the 1950's. Since then, the growth of the technology industry has fueled job growth and propelled Santa Clara to the current population of about 127,000 residents.¹ Santa Clara's population is expected to grow by about 26 percent to 159,500 by 2040. The composition of the housing stock in Santa Clara has shifted, with more multi-family units being built than single family homes. This trend likely reflects the limited availability of land for development, the high cost of homeownership, and the growing number of young adults moving to this job rich area.

Demand for home ownership continues to exceed the supply and prices are increasingly out of reach even for moderate income households. As of 2019, 43 percent of homes were owner households and 57 percent were renter households, reflective of the high cost of home ownership in the area. Housing supply in general is tight with the vacancy rate of renter occupied homes only at 4.8 percent and owner homes at less than one percent.

The City's motto, the "Center of What's Possible", conveys the City's can-do commitment to addressing housing challenges and ensuring a high quality of life for current and future residents. In response to the daunting local and regional housing supply challenges, the City has been active in increasing housing access and choice, and removing barriers to development, as well as streamlining the development process to facilitate housing development. Additionally, the City is nearing completion of a comprehensive Zoning Code update which will further streamline processes with the inclusion of objective standards and new zoning districts that better align with the City's General Plan. In 2018, the City began implementing an affordable housing ordinance with inclusionary requirements for new housing development. The ordinance also includes a commercial linkage fee so that office, R&D, and data centers contribute fees to support affordable

¹ Census.gov



SANTA CLARA HOUSING ELEMENT

housing development. Since the fall of 2021, the linkage fee has generated over \$5.6 million, and those funds will be used to address affordable housing needs in the City.

The City has also partnered with affordable housing developers providing gap financing and is working expeditiously to facilitate entitlements and building permits for construction, meeting tight financing deadlines and requirements. Infill areas of the City such as El Camino Real, Stevens Creek Boulevard, Winchester Boulevard, and Homestead Road with strong access to transit, retail, schools, and services are the sites of several new affordable, supportive, and transitional housing projects under construction which have benefited from new State laws that streamline processes and, in many cases, have also been financially supported by the City. New neighborhoods in the long-range planning areas of Lawrence Station, Tasman East, Patrick Henry Drive, Freedom Circle, and Downtown will have access to high quality transit, parks, community center(s), schools, and entertainment.

Through this updated Housing Element, the City puts forth strengthened housing goals, policies and actions that will support housing opportunities for new residents and existing residents facing displacement pressures so that Santa Clara can continue to be a vital and diverse city in the heart of the Silicon Valley.

Regulatory Framework

The Housing Element is one of the required components of a General Plan and must be consistent with all other elements of the General Plan. It identifies ways in which the housing needs of existing and future residents can be met. State law describes in great detail the necessary contents of the Housing Element: 1) identifying housing needs; 2) affirmatively furthering and assessing fair housing; 3) analyzing constraints to housing production; 4) examining past accomplishments from prior housing element planning efforts; 5) understanding how past planning practices may have excluded groups of people from housing opportunities; 6) documenting how the public has been engaged in the planning process; and 7) assessing and describing how land and financial resources will be marshalled to meet all housing needs. This Housing Element responds to those requirements and responds specifically to conditions and policy directives unique to Santa Clara.

The California Legislature has identified the attainment of a decent home and suitable living environment for every Californian as the State's main housing goal. Recognizing the important part that local planning programs play in pursuit of this goal, the Legislature has mandated that all cities and counties prepare a Housing Element as part of their comprehensive General Plans.

Section 65581 of the California Government Code reflects the legislative intent for mandating that each city and county prepare a Housing Element:

1. To ensure that counties and cities recognize their responsibilities in contributing to the attainment of the State housing goal.

2. To ensure that counties and cities will prepare and implement Housing Elements which, along with federal and State programs, will move toward attainment of the State housing goal.
3. To recognize that each locality is best capable of determining what efforts are required by it to contribute to the attainment of the State housing goal, provided such a determination is compatible with the State housing goal and regional housing needs.
4. To ensure that each local government cooperates with other local governments to address regional housing needs.

Scope and Content of the Housing Element

The 2023-2031 City of Santa Clara Housing Element has been prepared to meet the intent and requirements of State law and is intended to be integrated into the City's 2010-2035 General Plan. The Housing Element covers the planning period that begins January 31, 2023, and ends January 31, 2031, focusing on ways to promote residential infill development, given land supply and cost constraints. The intent of this Element is to plan for an adequate variety of safe, appropriate, and well-built housing for all residents of Santa Clara.

To comply with State Housing Element Law the he Housing Element consists of:

- An overview of the housing element and its relation to other elements in the General Plan
- A review and assessment of the 2015-2023 Housing Element
- A summary of the housing needs assessment
- An assessment of Fair Housing
- An analysis of special housing needs
- A review of constraints to housing development
- An analysis of at-risk housing
- A sites analysis of land parcels suitable for housing
- Goals, policies, and actions that support the Housing Element

Acronyms

This element includes use of many acronyms to identify agencies, housing programs, funding sources, and planning terms. Commonly used acronyms are:

ABAG/MTC – Association of Bay Area Governments/Metropolitan Transportation Commission

ADU – Accessory Dwelling Unit

AFFH - Affirmatively Furthering Fair Housing

AI - Analysis of Impediments to Fair Housing



SANTA CLARA HOUSING ELEMENT

ACS - American Community Survey

AMI – Area Median Income

APR – Annual Progress Report

BMP – Below Market Purchase Program

BMR – Below Market Rental Program

CDBG – Community Development Block Grant

CEQA – California Environmental Quality Act

CHAS – Comprehensive Housing Affordability Strategy

CHDO – Community Housing Development Organization

COPA – Community Opportunity Purchase Act

DOF – State of California Department of Finance

HCD – State of California Department of Housing and Community Development

HOME – HOME Investment Partnership Program

HOME-ARP – HOME American Rescue Plan

HPS – Homelessness Prevention System

HUD – Federal Department of Housing and Urban Development

HVAC – Heating Ventilation and Air Conditioning

LIHTC – Low-Income Housing Tax Credit

LMI – Low to Moderate Income

MCC – Mortgage Credit Certificate

MFI – Median Family Income

MRB – Mortgage Revenue Bonds

NCIP – Neighborhood Conservation and Improvement Program

NOAH – Naturally Occurring Affordable Housing

NOFA – Notice of Funding Availability

PHLA – Permanent Local Housing Allocation

RHNA – Regional Housing Needs Allocation

SRO – Single Room Occupancy

SVP – Silicon Valley Power

TBRA – Tenant Based Rental Assistance

TCAC – California Tax Credit Allocation Committee

TOD – Transit-Oriented Development

Relationship to Other General Plan Elements

Since statutory requirements addressed in this Element overlap with other General Plan components, such as Land Use, Transportation, Environmental Quality, and Public Facilities and Services, it is necessary to look at the 2010-2035 General Plan in its entirety for an understanding of the relationship between the Housing Element and these topic areas. This Element meets the minimum standards required by State law for a housing element. Related housing issues can be found elsewhere in the General Plan. This Element ~~incorporates and~~ is intended to be consistent with the 2010-2035 General Plan, adopted in 2010.

Public Participation

The Housing Element must reflect the values and preferences of the community; therefore, public participation in the planning process is critical to ensuring this Housing Element represents community voices. Government Code Section 65583(c)(9) states: “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.”

At its core, a Housing Element is an opportunity to have a community conversation about how to address local housing challenges, establish goals, develop policies, and find solutions. As such, the public engagement process for Santa Clara utilized several channels to solicit input from a variety of stakeholders. Key comments gathered from the engagement process are summarized in Appendix A: Community Outreach and a list of general outreach efforts are listed below:

- Community Meetings
- Stakeholders Meetings, Questionnaires, and Interviews
- Digital Surveys: English, Spanish, Vietnamese, Chinese (Simple)
- Community Events
- Community Pop-ups
- Tenant Listening Sessions
- Planning Commission and Community Council Meetings



SANTA CLARA HOUSING ELEMENT

At a high level, the community engagement was utilized to balance and align community input with State Housing Law requirements. With, consistent themes of affordability, housing type and tenure, housing choice, tenant protections, and homelessness the outreach process informed the Housing Plan actions, policies, and actions, and confirmed or highlighted trends identified by the demographic analysis. Specifically, outreach informed the creation of new efforts in the Housing Element as follows:

- Respondents to outreach and commentors were concerned that the designated levels of affordability in the city's existing inclusionary ordinance are increasingly not affordable for many residents. The Housing Element includes a planned effort to update the inclusionary ordinance to increase a greater number of units in the deeper affordability categories and to redefine the City's moderate affordability category to reflect a lower income range. Also proposed is including in the City's Notice of Funding Availability specifications criteria that would prioritize City funding of Extremely Low Income and Very Low Income units.
- Consistent feedback was received through all outlets and demographics of respondents highlighting the need to better address homelessness. The City's newly created Homelessness Task Force comprised of service providers, advocates, and individuals with lived experience of being unhoused have provided recommendations that are being pursued through the creation in a Homelessness Plan with implementation actions.
- Commentors provided feedback on the need for more displacement prevention. The Housing Plan includes the City Council future consideration of new policies and programs that would require no net loss of income restricted units during construction or rehabilitation of existing housing; replacement of existing affordable housing units at the same or lower affordability levels; landlord and City notification and information for tenants affected by efforts that would cause relocation; and require developers to provide relocation benefits beyond State requirements.
- Residents of affordable and special needs housing shared at listening sessions that they have been particularly affected by heat waves and wildfire smoke. As part of the City's CDBG program, the City will promote a Notice of Funding Availability process for installation of HVAC improvements for sensitive populations.

A summary of community engagement meetings and survey data are included in Appendix A: Community Outreach.

Public Review Draft and HCD Draft Housing Element

The Draft Housing Element was posted on the City's website on July 1, 2022. From July 1, 2022 through August 1, 2022, the draft Housing Element was advertised for public review by emails to the City's Housing Element Update email list (944 subscribers as of 8/9/2022), City's Planning

Developer Stakeholder list (110 subscribers as of 8/9/2022), Housing non-profit agencies and developers list (282), and emails to the Planning Commission and City Council. An online comment form was available for the public to provide feedback on the Draft Element. During this time, 24 public comments were received, as well as formal comment letters from Housing Choices, SV@Home, Partnership for the Bay's Future, Carpenters Local 425, Anne Paulson, Life Services Alternatives, TransForm, and Housing Action Coalition. A summary of public comments and the formal comment letters are included in Appendix A: Community Outreach. In response to these comments, the Housing Element was reviewed, and edits were made incorporating public comments including, but not limited to:

- additions and clarifications to the Housing Plan,
- additions and clarifications to the Affirmatively Furthering Fair Housing analysis and clarifications on the Housing Resources calculations
- edits to the Housing Resources parcel inventory
- and other minor edits and clarifications that were less substantive but were provided for readability.

The draft Housing Element was then submitted to HCD on August 22, 2022 for a 90-day review and formal comment. The draft Housing Element remained available on the City's website for additional public review and comment during the HCD review period. During the HCD review period the jurisdiction conducted additional public outreach and received additional public comment that was again incorporated into the draft Housing Element. And, upon receipt of the formal HCD comment letter the draft Housing Element was edited to address the findings specified in the letter and posted for public comment.

The Housing Element was revised in response to these comments and the public was invited to attend and comment on the Housing Element at hearings held before the Planning Commission and the City Council in January 2023. The revised Draft Housing Element was available on the website and at City Hall prior to each hearing.

On January 31, 2023, the City Council adopted Santa Clara's 2023-2031 (6th Cycle) Housing Element and submitted to HCD for their 60-day review. The City received a formal findings/comment letter on March 28, 2023 identifying additional revisions needed to comply with State Housing Element law.

The Adopted Housing Element was revised to address HCDs comments and noticed public hearings were held before the Planning Commission and City Council in June 2023. Emails were sent to the City's Housing Element Update topic subscribers (1,899 as of 5/30/2023) providing updates on the hearing schedule and the availability of draft revisions to the Adopted Housing Element and supporting materials on the website and through the Planning Commission and City Council agendas.



General Plan Consistency

All properties and land uses in the City are governed by the City's General Plan. The General Plan describes the long-term goals for the City's future and guides daily decision-making. The time frame of the General Plan is 2010-2035. The Plan contains the City's official policies on land use and community design, transportation, housing, environmental resources, and health and safety.

The Housing Element is part of the General Plan but operates on a state mandated schedule. The time frame for the Housing Element is 2023-2031, therefore it has been prepared to maintain internal consistency with the current 2035 General Plan as required by State law. Specifically, the sites inventory reflects the capacity under the land use designations of the 2035 General Plan, as amended. Internal consistency will be evaluated and maintained as part of the City's annual progress report (APR) pursuant to Government Code section 65400 and as general plan amendments occur.

The 6th-cycle Housing Element provides an opportunity to update the goals, policies, and actions identified in the 5th-cycle Housing Element (2015-2023), and with the increased focus on Affirmatively Furthering Fair Housing (AFFH), which has heavily influenced the document, will provide a framework for how the City evaluates future General Plan amendments and the next comprehensive General Plan update.

Background and Purpose.....	1
Regulatory Framework	2
Scope and Content of the Housing Element	3
Acronyms	3
Relationship to Other General Plan Elements	5
Public Participation.....	5
Public Review Draft Housing Element	6
General Plan Consistency	8

Chapter 13.2

Housing Plan

The goals, policies, and actions delineated in this chapter serve to support the City's vision of providing decent housing and a suitable living environment for every resident.

Goals and Policies

The Housing Plan identifies the City's goals for neighborhood conservation, housing production, housing support, and housing opportunities. The goals are supported by policies which are implemented through a series of actions.

Goal A Create and maintain high-quality, livable, and diverse housing stock within the City of Santa Clara.

Policy A-1: Maintain and improve the quality of residential housing stock, address housing deficiencies and prevent future blight through the encouragement of ongoing maintenance, rehabilitation, and conservation of existing housing stock.

Policy A-2: Provide residential code enforcement for conformance with City Code and Zoning Ordinance regulations.

Policy A-3: Utilize objective design standards to streamline the housing development process.

Policy A-4: Seek collaborative efforts with regional entities and utility service providers to subsidize and incentivize residential energy and water conservation.

Policy A-5: Proactively plan for sufficient housing capacity through infill development that is compatible with existing neighborhoods and through the preparation of neighborhood plans that will support the development of new, complete neighborhoods.

Goal B Designate suitable vacant or underutilized sites for new residential development.

Policy B-1: Identify potential sites for affordable housing units in areas of "high opportunity" as defined by the state.

Policy B-2: Encourage the building of high-density housing on appropriate vacant or underutilized sites.

Policy B-3: Identify and facilitate the award of local, regional, state, and federal funding sources to support housing development, housing infrastructure, and amenities.



SANTA CLARA HOUSING ELEMENT

Policy B-4: Identify and potentially designate surplus land that can accommodate low, very-low, and extremely low-income residential development.

Policy B-5: Encourage high density residential development utilizing the City's higher density and mixed-use residential designations in proximity to transit and other residential services.

Goal C Increase special needs housing opportunities for persons of all economic levels.

Policy C-1: The City shall collaborate with services agencies and community-based organizations to prioritize loans and grants toward housing for seniors, persons with disabilities, persons with mental illness, large families with children, female-headed households, victims of domestic violence, and people who are experiencing homelessness.

Policy C-2: Improve proximity and connections between special needs housing and high-quality transit stops, job centers, educational institutions, day care, open space, community services, and healthy food options.

Policy C-3: Participate in local, regional, State, and federal programs and efforts that support affordable, transitional, supportive, and permanent housing and address the needs of disadvantaged populations and those experiencing homelessness.

Policy C-4: Ensure compliance with all State and federal regulations relating to housing opportunities and the prevention of discrimination based on religion, gender, sexual orientation, marital status, national origin, ancestry, familial status, source of income, or mental or physical disability and any other protected classes under federal and State law.

Goal D Promote a variety of housing types, tenure, and location, including higher density where possible, especially for lower and moderate income and special needs households.

Policy D-1: Continue to identify and apply for funding that supports the development of housing for extremely-low and very low-income residents and special needs households.

Policy D-2: Continue to utilize General Plan land use and zoning updates to provide increased opportunity and flexibility in providing a variety of housing types and tenure.

Policy D-3: Periodically review the City's ordinances, policies, and procedures and make changes ~~as necessary~~ to reduce or remove constraints to housing development.

Policy D-4: Promote the use of density bonuses and development incentives to facilitate a variety of housing types and tenure.

Policy D-5: Encourage the construction of accessory and junior accessory dwelling units through outreach, education, and links to regional technical assistance.

Goal E Affirmatively further fair housing by increasing access to opportunity, reducing displacement impacts, reducing cost burden, targeting outreach to lower income residents, and rehabilitating substandard living conditions.

Policy E-1: Improve access to opportunity by working to improve the quality of life for residents of lower income communities, as well as supporting residents' mobility and access to 'high resource' neighborhoods.

Policy E-2: Work to reduce displacement of lower income residents from Santa Clara and to reduce the impact of relocation on low-income households.

Policy E-3: Conduct proactive outreach in areas of the City with less access to opportunity, to build awareness of services including fair housing complaint investigation, landlord tenant mediation, eviction and homelessness prevention counseling, and opportunities to apply for new affordable housing through the HouseKeys application portal.

Policy E-4. Conduct regular outreach, education, and affirmative marketing with community partners that have access to populations experiencing disproportionate housing problems and encourage early participation from a diverse set of residents and other stakeholders in the development of long-range plans and the review of new development proposals.

Policy E-5: Increase public participation by translating public outreach documents (e.g., flyers, surveys) as part of the public participation process and when marketing the City's affordable housing lotteries.

Policy E-6: Continue to provide, when appropriate and feasible, options for either virtual, in-person, or hybrid community meetings to allow for broader community participation.

Implementing Actions

Each Goal outlined in the Housing Plan is supported by one or more policies, which are often implemented by specific actions. Many of the identified actions below will implement multiple policies and goals. Some policies offer direction to Staff and appointed/elected officials in making decisions related to the provision of housing but are not implemented through specific housing programs.

Objectives for each action are either categorized as "Discrete" (objective to be completed during the timeframe of the Housing Element) or "Ongoing" (objective that happens throughout the timeframe of the Housing Element).



Action 1: Provision of a Variety of Housing Types

The City of Santa Clara supports and encourages the development of a variety of housing types to rent and to own in a variety of locations to maintain social and economic diversity in the community. During the Housing Element planning period, the City will promote the development of accessory units, affordable one- and two-story additions to single-family homes, and other lower income housing alternatives.

Funding Source: Departmental Budget

Responsible Agency: Planning Division and Housing and Community Services Division

Discrete Objectives:

- By ~~May~~ November 2023, adopt the comprehensive Zoning Ordinance update with revised provisions to allow a variety of housing types through a by-right approval process using objective standards, including:
 - Single-room occupancy units (SROs)
 - Employee housing
 - Emergency shelters
 - Low barrier navigation centers
 - Permanent supportive housing
 - Residential care facilities
- As a part of the Zoning Ordinance Update, acknowledge group homes (residential care facilities) for 7 or more residents and separately enumerate residential care facility uses with 6 or fewer residents.
- ~~Complying~~ As a part of the Zoning Ordinance Update, incorporate changes to state Accessory Dwelling Unit (ADU) law and incentivize the creation of ADUs by removing parking requirements and providing more flexible height standards
- ~~As a part of the Zoning Code Update, include the ability for the Director of Community Development to allow up to two (2) one-year permit extensions administratively.~~

- By January 1, 2024, the City of Santa Clara Building Division will:

- Compile and post on the Building Division page a list of information needed to approve a post entitlement phase permit
- Post on the Building Division page an example of a complete approved application and an example of a complete set of post entitlement phase permits for at least 5 types of housing development projects: ADU, duplex, multifamily, mixed use, and townhome.

- By 2026, or as funds become available, through the provision of a notice of funding availability (NOFA), prioritize loans for the development of extremely low and very low-income housing alternatives, such as single-room occupancy (SRO) units, senior housing, family housing, housing for persons with disabilities (including developmental disabilities), licensed residential care homes, etc. (This responds to community feedback that 80-120% AMI -housing is no longer affordable enough for many residents in Santa Clara).

- By 2030 increase the stock of:

- Extremely low and very low income rental housing designed for persons with developmental disabilities by 35% from 56 in 2023 to 76.
- Extremely low and very low income rental housing for elderly persons by 20% from 736 in 2023 to 884.
- Income restricted three and four bedroom affordable rental housing units to serve large households in Santa Clara by 20% from 107 units in 2023 to 129 units.

-By 2030, increase access to interim housing units, rapid rehousing, and emergency shelter beds by 30% from 453 in 2023 to 589.

- By the end of 2026, reassess demand for urban farmworker housing (current and retired workers) and gauge the interest and feasibility among developers to utilize the Joe Serna Jr. Farmworker Housing Grant Program when funds become available.



Ongoing Objectives (on an annual basis, unless otherwise noted):

- ~~- Annually~~ Explore regional and state funding sources to build more housing opportunities for persons with disabilities and for extremely low-income households.
- ~~- On an annual basis,~~ Report on the production of ADUs through the City's Annual Progress Report (APR). If the pace of ADU production falls below the level necessary to achieve 340-392 ADUs during the 2023-2031 planning period (approximately 43-49 ADUs/year), within six months of acceptance of the APR, present a plan to City Council to remove barriers and/or further incentivize ADU production (e.g., through additional Zoning changes).
- Continue participating in the development and implementation of the Santa Clara County Planning Collaborative ADU Program, which will include a central online resource for making it easier to build ADUs, including an ADU Guidebook, gallery of ADU plans, examples/stories of real ADUs that have been built, and an ADU cost calculator.

Relevant Policies: Policy A-3, Policy B-1, Policy B-3, Policy C-1, Policy C-2, Policy C-3, Policy C-4, Policy D-1, Policy D-2, Policy D-3, Policy D-4, Policy D-5

Action 2: Affordable Housing Ordinance

The City's Affordable Housing Ordinance requires developers of residential developments of 10 or more units to provide the following:

- Rental projects - 15% of rental units must be affordable to renters of extremely low, very low, low, and moderate income households, as long as the distribution of affordable units averages to a maximum of 100% of AMI.
- For sale/ownership projects - 15% of units must be affordable to extremely low, very low, low, and moderate income households, as long as the distribution of affordable units averages to a maximum of 100% of AMI.

The Affordable Housing Ordinance has two components: Below Market Rental (BMR) program and Below Market Purchase (BMP) program. The City offers BMR and BMP units to income-qualified households. This program is an important tool for providing very low, low and moderate income housing opportunities.

Funding Source: Inclusionary Housing

Responsible Agency: Housing and Community Services Division

Discrete Objectives:

- By the ~~end-middle~~ of 202~~5~~4:

- ~~Assess the feasibility of updating~~Update the citywide affordable housing ordinance to align with recent feasibility studies ~~and area plan approvals~~ for the Patrick Henry Drive Specific Plan ~~and the Freedom Circle Focus Area~~ that support deeper affordability requirements (5% very low income, 5% low income, and 5% moderate income) for inclusionary rental and ownership projects. Complying with the proposed affordability requirements would entitle developers to use the Density Bonus provisions of state law.
- Assess the feasibility of updating the ordinance's definition of "moderate income" units from 120% AMI to 100% AMI to further distinguish the difference between "moderate income" and market rents. This responds to stakeholder feedback that 120% AMI is not affordable for many residents and in some cases exceeds market rents.
- Conduct community outreach to present and receive feedback on the feasibility study and bring the study and summary of community feedback to City Council.
- ~~By the end of 2024, d~~Determine the feasibility and marketability of changes to the BMP program that would keep new BMP homes affordable, or deed restricted, for 20-30 years instead of just five years. Such changes could also make the City's BMP program compatible with the County's new Below Market Rate Partnership program which aims to assist low and very low-income first-time homebuyers. This responds to stakeholder feedback that homeownership is desired but increasingly less attainable in Santa Clara.



SANTA CLARA HOUSING ELEMENT

Ongoing Objectives (on an annual basis, unless otherwise noted):

- ~~On an annual basis, m~~Monitor and report the effectiveness of the Affordable Housing Ordinance in expanding affordable housing choices through the City's Annual Progress Report to HCD.
- Conduct in-person outreach once per year in low and moderate resource areas of the City to educate residents on how to use local and regional housing lottery systems and fair housing resources.

Relevant Policies: Policy B-1, Policy B-2, Policy B-3, Policy C-1, Policy C-2, Policy C-3, Policy C-4, Policy D-1, Policy D-4

Action 3: Affordable Housing Incentives and Facilitation

For-profit and nonprofit developers play a significant role in providing affordable housing in Santa Clara. The City will proactively encourage and facilitate the development efforts of developers and organizations for the construction of affordable housing for lower income households, particularly those with special needs including seniors, large households, extremely low income households, households with persons who have disabilities (including developmental disabilities), and licensed residential care homes.

Funding Source: CDBG; HOME; General Fund

Responsible Agency: Planning Division and Housing and Community Services Division

Discrete Objectives:

- By ~~March-June~~ 2023, create and post an SB 35 checklist and written procedures for processing SB 35 applications.
- Prior to the end of 2024, the City will conduct public outreach and issue a request for proposals to develop mixed income or 100% affordable housing on the vacant former site of the King's Highway Motel on El Camino Real.
- ~~By the end of 2024, establish a relationship and meet with interested property owners of naturally occurring affordable housing (NOAH) to facilitate possible connections between sellers, affordable housing developers, and funding sources.~~

Ongoing Objectives (on an annual basis, unless otherwise noted):

~~In 2025, 2027, and 2029, monitor the risk of conversion of naturally occurring affordable housing (NOAH) by contacting owners of the highest risk properties to determine their intentions and to explore options for continue to coordinate with qualified entities regarding the conversion of NOAH to income restricted affordable housing.~~

- Encourage and assist in efforts to combine public and private funds in joint housing ventures that maximize affordability.

- As appropriate, support and/or partner with housing developers in the application for affordable housing funding, such as providing technical data, assistance in identifying available and appropriate sites, and expediting review and processing of affordable housing.

~~Analyze parking reforms as part of proposed long-range plans, including the El Camino Real Specific Plan and the Santa Clara Station Area Plan, which will positively impact housing, transportation and other plan goals.~~
Apply reduced parking requirements for transit-rich environments from the Zoning Code Ordinance Update to

~~including transit pass requirements, and particularly how updated parking policies could positively impact housing, transportation, and other goals.~~

- As appropriate, collaborate with neighboring jurisdictions to pursue funding opportunities for affordable housing programs.

- Utilize CDBG and HOME funds in conjunction with other cities' funds to construct or rehabilitate shelters, public service facilities, and to provide housing services.

- Review best practices to identify appropriate incentives and policies to support affordable housing development in the City including fee deferral, reduction, or waivers.

Relevant Policies: Policy B-1, Policy B-2, Policy B-3, Policy B-4, Policy B-5, Policy C-1, Policy C-2, Policy C-3, Policy C-4, Policy D-1, Policy D-2, Policy D-3, Policy D-4, Policy D-5



Action 4: Maintenance of Housing Stock

Since 1976, the City of Santa Clara has assisted more than 1,000 homeowners to rehabilitate and increase the value of their homes through the Neighborhood Conservation and Improvement Program (NCIP). Under the direction of the City of Santa Clara Housing and Community Services Division and in partnership with Rebuilding Together Silicon Valley, NCIP offers technical and financial assistance to qualified homeowners. The program is designed for citywide households with gross incomes at or below 80 percent of County median income. Various types of minor and major repairs may be addressed, including accessibility improvements, re-roofing, plumbing, heating/cooling, electrical, termite damage, foundation, and weatherization. The costs for home repairs are covered through a grant or a loan depending on the size of the project.

The Multi-Family Affordable Energy Efficiency program allows for the City's special revenue funds in partnership with Silicon Valley Power (SVP) to pay for energy consultants to recommend and create a scope of work for specific SVP project rebates. The program also allows for the City to provide assistance for the cost of installation and facilitates the grant administration process.

Funding Source: CDBG, HOME / Special Revenue Funds (in partnership with SVP)

Responsible Agency: Housing ~~&~~and Community Services Division

Discrete Objectives:

- By the end of 2023~~4~~, conduct outreach to single-family home residential care facilities that serve protected classes including persons with disabilities to determine interest in and the feasibility of including these properties in future CDBG/HOME Notices of Funding Availability to address rehabilitation and emergency repairs in these facilities. (This objective responds to feedback from Life Services Alternatives)

- By fall 2025, market future CDBG capital NOFAs to residential care facilities for repair and renovation work to begin in summer 2026. The NOFA shall include extra points for projects that serve persons with disabilities and/or extremely low income households.

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Assist approximately 200 low, very low, and extremely low income homeowners with rehabilitation and emergency repair assistance through loans and grants.
- Continue to conduct inspections of homes on a request and complaint basis, providing referrals to the NCIP and assistance where possible to

correct identified issues and problems in both primary and secondary dwelling units.

- Through the CDBG program, to address rising average temperatures, promote NOFA process for installation of HVAC improvements for sensitive populations, including seniors in multifamily housing. (This response to feedback from seniors that live in apartments that do not have air conditioning).

Relevant Policies: Policy A-1

Action 5: Preservation of Assisted Rental Housing & NOAH

To meet the housing needs of persons of all economic groups, the City is committed to guarding against the loss of housing units reserved for lower income households. ~~Five-Four~~ assisted rental projects, with a total of 45 units in Santa Clara are identified to be at potential, albeit very low, risk of conversion to market rate use in-between June 2028 and October 2031. In addition, the City will monitor the status of naturally occurring affordable housing (NOAH)

Funding Source: Departmental Budget

Responsible Agency: Housing and Community Services Division

Ongoing Objectives (on an annual basis, unless otherwise noted):

- ~~When funding is available, e~~Continue to assist property owners of income restricted housing to make periodic capital improvements to ~~their~~ property, to improve energy efficiency and to extend affordability.
- Continue to monitor and analyze inventory of at-risk income restricted projects/units that may be at-risk of losing affordability controls and by maintaining contact with the property owners ~~annually~~ regarding long-term plans for ~~their~~ projects.
- ~~Establish and m~~Maintain contact with public and nonprofit agencies (qualified entities), such as the Sobrato Family Foundation, BRIDGE Housing, and MidPen -Housing that have expressed interested in purchasing, managing, or financing the acquisition of at-risk units.
- Explore new funding sources that can be used for preservation from the Bay Area Housing Finance Authority (BAHFA) and other state sources.



SANTA CLARA HOUSING ELEMENT

- ~~When possible, work~~ with owners of at-risk income restricted housing to restructure City loans in exchange for extended affordability restrictions.

- Work with tenants of at-risk units, providing them with information regarding tenant rights and conversion procedures, including the property owner requirement to provide a minimum 12-month notice of intent if they choose to opt out of low-income use restrictions.

- By the end of 2024, develop a list of naturally occurring affordable housing (NOAH) locations and meet with interested property owners to facilitate possible connections between sellers, affordable housing developers, and funding sources.

- In 2025, 2027, and 2029, monitor the risk of conversion of naturally occurring affordable housing (NOAH) by contacting owners of the highest risk properties to determine their intentions and continue to coordinate with qualified entities regarding the conversion of NOAH to income-restricted affordable housing.

Relevant Policies: Policy A-1, Policy A-2, Policy A-4, Policy B-1, Policy B-4, Policy C-4, Policy D-1, Policy D-2, Policy D-3, Policy D-4, Policy D-5

Action 6: Acquisition of Multi-Family Housing

As a strategy to expand the City's affordable housing inventory, Santa Clara will continue to explore opportunities for the acquisition/rehabilitation of multi-family housing. As funding permits, the City will work with nonprofit organizations to acquire and rehabilitate deteriorating and distressed properties and convert them into affordable rental housing for lower income households, including those with special needs.

Funding Source: CDBG; HOME

Responsible Agency: Housing ~~&and~~ Community Services Division

Discrete Objectives:

- By ~~end of 2025~~early 2027, present to the ~~future Housing Commission~~City Council the findings from an analysis of the need/benefit and resources required to implement a Community Opportunity Purchase Act (COPA) program in the City of Santa Clara. A COPA program gives a qualified nonprofit buyer the right to make a first offer on a residential property that is for sale covered by the program.

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Create a database of naturally occurring affordable housing and annually monitor property sales and/or permit applications to identify conversion trends early.
- Explore funding sources available at the regional, state, and federal levels to support affordable housing developers with acquisition/rehabilitation opportunities.
- Work with nonprofit entities to acquire properties and rehabilitate existing multi-family structures to be maintained as or converted into affordable rental housing. Prioritize assistance for housing that is within one half mile of rail transit stations or that is in a high or highest opportunity area according to TCAC.

Relevant Policies: Policy B-1, Policy C-1, Policy C-2, Policy C-3, Policy D-1

Action 7: Code Enforcement Program

Code enforcement is essential to ensuring housing conservation and rehabilitation. The City maintains a strong housing inspection and code enforcement program to ensure adequate maintenance of the housing stock and quality of residential neighborhoods. In an average year, the City receives several thousand complaints related to possible code enforcement violations. In many cases, the responsible party for the code violation is given the opportunity to voluntarily correct the situation and comply with current codes without a penalty.

Funding Source: CDBG, General Fund

Responsible Agency: Planning Division, Building Inspection, Police Department

Discrete Objectives:

- By the second half of 2024, establish pilot multi-family residential housing inspection and educational programs that are self-funded through fees with a focus on census block groups with high concentrations of persons with disabilities, disproportionate housing needs, and overcrowding.



SANTA CLARA HOUSING ELEMENT

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Proactively and systematically respond to housing code violations.
- Provide special attention to maintaining the stability of residential neighborhoods through development and enforcement of minimum standards of allowed use of the City's streets, as well as maintenance of front and other yard areas visible from the public right-of-way.
- ~~- Explore using CDBG dollars to fund proactive code enforcement and place-based capital improvements to improve access to opportunities in HUD-designated low income and distressed areas of the City.~~

Relevant Policies: Policy A-1, Policy A-2, Policy A-3

Action 8: Neighborhood Relations Programs

Since 1990, the Neighborhood-University Relations Committee (NURC) (formerly Student Housing Committee) has been responsible for reviewing student housing issues. NURC meets regularly to facilitate on-going communication and problem solving among City officials, neighborhoods, property owners and Santa Clara University (SCU) officials and students. Santa Clara University has established a Residency Requirement for Freshman and Sophomore students, with some exceptions, to live on campus. In 2022, the City convened an ad hoc Homelessness Task Force which will be replaced in 2023 with a permanent Housing Commission. The new commission will advise on the use of the City's federal CDBG and HOME funds, and on the City's homelessness response efforts.

Funding Source: General Fund

Responsible Agency: Housing and Community Services Division

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Starting in ~~early~~-late 2023, utilize the newly formed Housing Commission to advise on CDBG and HOME grant administration for capital projects and community services, and on the City's homelessness response efforts.
- Improve the maintenance of student-occupied homes and behavior of the occupants via owner outreach to minimize impacts on neighborhoods surrounding SCU.

- Enhance code enforcement and special police patrols to address the problems in the area.
- Continue to hold meetings three times per year with student tenants, landlords, SCU, residents, and the City to allow opportunities for stakeholders to discuss neighborhood issues and concerns.
- Continue to work with neighbors (residents, businesses, and institutions such as Santa Clara University) to ensure that development is compatible with existing neighborhoods and that neighbors are satisfied with the design, density, and parking requirements of projects.

Relevant Policies: Policy A-1, Policy A-2, Policy A-3, Policy C-4, Policy E-2, Policy E-3

Action 9: Zoning Ordinance

The City is currently undertaking a comprehensive update to its Zoning Ordinance to reflect the current goals and policies of the 2010-2035 General Plan. As part of this update, the City will ~~reconsider, and revise, if appropriate, revise~~ its provisions for parking, including reduced parking requirements and unbundled parking for multi-family uses in transit-rich environments. mixed use developments. ~~The Zoning Code Ordinance Update will also include provisions for a variety of housing types, including low-barrier navigation centers,~~ residential care facilities, employee housing, and SRO housing. The update is expected to be completed in ~~early November~~ 2023. The comprehensive Zoning update is intended to bring consistency between the Zoning Ordinance and the General Plan, implementing the General Plan goals by facilitating mixed use development and higher density residential development, protecting existing neighborhoods, and incentivizing redevelopment with appropriate development standards and streamlined procedures.

Funding Source: General Fund

Responsible Agency: Planning Division

Discrete Objectives:

- Complete the comprehensive update to the Zoning Ordinance by ~~early November~~ 2023. The Zoning Code will include provisions that:
 - Provide for by-right approval of a variety of housing types (see Action 1)
 - Allow emergency shelters by right in the R-3 and R-4 Residential districts, the C-C and C-R Commercial districts,



SANTA CLARA HOUSING ELEMENT

and the MU-VHD Mixed Use district, and allow emergency shelters in the LI Light Industrial and PQP Public/Quasi-Public districts with the issuance of a Minor Use Permit.

- Reduce ~~Further reduce dependence on use of~~ Planned Developments (PDs) by including new high-density residential and mixed-use zoning districts that conform to the General Plan and ~~streamline the permitting process for projects by allowing by-right approvals -that that meet-~~ new ~~meet~~ objective development standards
 - Any nonvacant site in the 6th Cycle Housing Element Sites Inventory that was identified in a previous (i.e., 5th or 4th Cycle) Housing Element would need to provide a minimum of 20 percent of the units affordable to lower income households in order to be approved by right.
- Allow by-right expansion of single-family homes built with non-conforming side setbacks and/or one-car garages
- Bring the City into compliance with State Density Bonus Law (SDBL), including recently adopted legislation that goes into effect in 2023.
- Revamp residential parking requirements, including unbundling and make appropriate reductions in parking requirements according to housing type (i.e., reduced parking requirements for units for people with developmental and other disabilities)
- Apply adopted zoning designations to the City's Zoning map, consistent with the City's General Plan, which will add additional housing sites totaling 1,242 units to the El Camino Real corridor.
- Include the ability for the Director of Community Development to allow up to two (2) one-year permit extensions administratively.

Ongoing Objectives (on an annual basis, unless otherwise noted):

- ~~On an annual basis, m~~ Monitor the Zoning Ordinance for any potential constraints to the development of housing, particularly housing for persons with special needs (including those with developmental

disabilities) and amend the Zoning Ordinance ~~as necessary~~ to address those constraints.

Relevant Policies: Policy B-2, Policy B-4, Policy B-5, Policy C-2, Policy D-2, Policy D-3, Policy D-4, Policy D-5

Action 10: Adequate Sites Inventory

The City is committed to ensuring that adequate sites at appropriate densities remain available during the planning period, as required by law. The residential sites analysis completed for the 2023-2031 Housing Element indicates the City can accommodate its RHNA of 11,632 units, including 2,872 very low income units, 1,653 low income units, 1,981 moderate income units, and 5,126 above moderate income units.

Funding Source: Departmental Budget

Responsible Agency: Planning Division

Discrete Objectives:

- To supplement the City's housing sites inventory and to prepare for the 7th Housing Element cycle:
 - By the end of 2025, to encourage transit-based development, complete the Santa Clara Station Area Plan.
 - By the end of 2025, to encourage mixed-use development, complete the El Camino Real Specific Plan.

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Monitor the status of approved and proposed projects on the Housing Sites Inventory. Include a table with 6th Cycle APRs that describes the status of projects listed in Table 13.6-2 Pending and Approved Projects.
- As a part of monitoring the status of approved projects, when an entitlement is nearing expiration, proactively notify applicants to apply for extension.
- In the event that proposed projects are not approved within two years of HCD certification of the Housing Element, rework the Housing Element Sites Inventory to include additional sites, as needed, to ensure sufficient capacity to meet the City's RHNA at all income levels.



SANTA CLARA HOUSING ELEMENT

- Maintain an inventory of housing sites appropriate for a range of income levels and housing types, including supportive housing for persons with disabilities and developmental disabilities.
- Provide information and technical assistance on Federal and State funding sources or referrals to appropriate agencies.
- Monitor and report on the dispersion of affordable units throughout the City.
- Review housing sites inventory at time of development proposal to determine consistency with proposed density and assumed density in the Housing Element.
- Maintain a no net loss of units identified in the sites inventory of this Housing Element. If the assumed density is not entitled, a finding must be made that the displaced units can be redistributed to other opportunity sites.

Relevant Policies: Policy B-1, Policy B-2, Policy B-3, Policy B-4, Policy C-2, Policy D-1, Policy D-2, Policy D-3, Policy D-4, Policy D-5

Action 11: Impact Fees

The City charges various impact fees to provide essential services and facilities to serve new development. The City will conduct an impact fee study to compare the City's fees with surrounding and similar jurisdictions.

Funding Source: Departmental Budget

Responsible Agency: Planning Division

Discrete Objectives:

- By the end of 2025 conduct and present the results of an impact fee study to the City Council to assess if impact fees are constraining development or providing a competitive edge for the City. If City fees deviate significantly from those charged by comparable communities for either market rate or affordable developments, take actions by July 2026 to adjust fees as appropriate.
- By the beginning of 20~~29~~³⁰ conduct and present the results of an impact fee study to the City Council to assess if impact fees are constraining

development or providing a competitive edge for the City. If City fees deviate significantly from those charged by comparable communities for either market rate or affordable developments, take actions by July 2031 to adjust fees as appropriate.

Relevant Policies: Policy B-2, Policy B-3, Policy B-5, Policy C-3, Policy D-1

Action 12: Affordable Housing Funding

The City will continue to explore gaining access to additional resources that provide a steady funding stream for affordable housing. These may include, funding from the Bay Area Housing Finance Authority, County, State, federal, housing or land trust funds, and private sector support, partnerships, or philanthropy.

Funding Source: Departmental Budget Planning

Responsible Agency: Planning Division and Housing and Community Services Division

Discrete Objectives:

- By the end of 2025, staff will organize a City Council study session to explore new sources of funding for the development of extremely low income and very low-income affordable housing including strategies to compete for and leverage federal, state, county and philanthropic funds, financial contributions from large employers, local revenue measures and other funding sources.

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Annually, staff will evaluate Notices of Funding Availability (NOFAs) from State, federal, and regional programs and pursue funding applications as appropriate.

Relevant Policies: Policy B-3, Policy C-1, Policy C-3, Policy D-1

Action 13: Residential Displacement

Development in the City has primarily occurred as the recycling of existing marginal commercial and industrial uses into higher density multi-family housing. As such, the City has not yet experienced direct displacement of lower income households due to new development. As redevelopment of existing uses continues, the City will evaluate potential displacement of



SANTA CLARA HOUSING ELEMENT

residents, and develop and adopt measures, as appropriate, to address the risk of direct or indirect displacement of those existing residents. The City will monitor such measures bi-annually for effectiveness and make necessary adjustments.

Funding Source: Departmental Budget

Responsible Agency: Planning Division

Discrete Objectives:

- By the end of 2025 analyze the feasibility of setting a rent deposit limit and present findings from that analysis to the Housing Commission and City Council.

- Within one year of Housing Element adoption, evaluate and provide recommendations to City Council on new programs and policies that prevent displacement and/or facilitate soft landings when relocation is unavoidable. This evaluation will include the following policy areas at a minimum:

- Requiring no net loss of income-restricted residential units during the construction of new housing or rehabilitation of existing housing.
- Requiring the replacement of existing affordable units at the same or lower income level as a condition of development.
- Requiring landlords to notify tenants and the City at least one year in advance of redevelopment and/or potential conversion to market rate housing. Provide information regarding tenant rights and conversion procedures.
- Require developers to provide relocation benefits beyond those required by the state.
- Policies, programs and procedures that help minimize the risk of displacement caused by substandard conditions including through local code enforcement activities.

- Within two years of Housing Element adoption, ~~as necessary and appropriate,~~ adopt programs and policies to address displacement with bi-annual monitoring and reporting of effectiveness.

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Continue to fund tenant landlord resources and dispute resolution services.
- Continue to fund the regional Homelessness Prevention System (HPS) lead by Destination Home which provides emergency rent and deposit assistance and housing counseling services.
- Continue to market new below market rate rental (BMR) and ownership (BMP) opportunities broadly, and especially to residents living in lower income areas of the City.

Relevant Policies: Policy B-1, Policy B-2, Policy B-3, Policy B-4, Policy B-5, Policy C-1, Policy C-3, Policy D-2, Policy D-3, Policy D-4, Policy D-5

Action 14: Housing Choice Voucher Program

The Section 8 Housing Choice Voucher Program extends rental subsidies to very low income households, as well as elderly and disabled persons. The subsidy represents the difference between 30 percent of the monthly income and the allowable rent determined by the Section 8 program. Vouchers permit tenants to locate their own housing and rent units beyond the federally determined fair market rent in an area. The City's role in this action will be to advocate for more Housing Choice Vouchers for Santa Clara residents.

Funding Source: Section 8

Responsible Agency: Housing Authority of the County of Santa Clara Continue to participate in and promote the Housing Choice Voucher Program.

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Advocate for additional project and person-based vouchers for seniors and other special needs groups on fixed incomes in Santa Clara through partnerships with the affordable housing developers, Santa Clara County Housing Authority, and the County's Office of Supportive Housing. This responds to stakeholder feedback that seniors and households on fixed incomes cannot afford rent increases that are based on escalating HCD Income Limits.
- Annually assist the Housing Authority with the promotion of incentives that encourage landlords to accept Housing Choice Vouchers to ensure



SANTA CLARA HOUSING ELEMENT

that voucher holders can find housing and avoid displacement or homelessness.

- Continue to refer households in need to the Housing Authority's Housing Choice Voucher Application Portal.

Relevant Policies: Policy B-3, Policy C-1, Policy C-3, Policy D-1

Action 15: Homeownership for First-Time Buyers

The City continues to create affordable ownership units through its Inclusionary Housing Policy. HouseKeys partners with Santa Clara staff to offer the units created through the Inclusionary Housing - Below Market Purchase (BMP) program to income-qualified households. The intent of the BMP program is to offer low and moderate income homebuyers an opportunity to purchase a home they would not ordinarily be able to afford. If a BMP homeowner wishes to sell the home between 6-20 years after purchase, they must pay back the City's remaining note value and a share of the equity increase.

Other resources for affordable homeownership are also available to Santa Clara residents. These include the Housing Trust Silicon Valley, Mortgage Credit Certificates, Habitat for Humanity, and Santa Clara County's Office of Supportive Housing.

The Housing Trust Silicon Valley Empower Homebuyers SCC program provides loans to low- and moderate-income homebuyers in Silicon Valley in the form of low-interest, second mortgages and down-payment assistance. Santa Clara residents are eligible for two types of assistance offered by the Housing Trust, mortgage assistance and gap assistance.

The Mortgage Credit Certificate Program (MCC), administered by the County of Santa Clara Office of Affordable Housing, provides financial assistance to first-time homebuyers. The Santa Clara County MCC tax credit reduces the federal income taxes of qualified borrowers purchasing qualified homes, thus having the effect of a mortgage subsidy. The current tax credit rate is up to 15 percent of the interest paid to the lender on the first loan.

Habitat for Humanity East Bay/Silicon Valley provides ownership opportunities for first-time homebuyers via a sweat equity and savings plan programs. Households, friends, and family contribute 250-500 hours of sweat equity into the construction of their homes.

Santa Clara County's Measure A also sets aside funds to assist first time homebuyers. In 2023, the County will roll out new programs that help low income households attain home ownership.

Additionally, SB 9, signed into law in September of 2021 and effective January 1, 2022, allows property owners within single-family residential zones to build two units and/or to subdivide an

existing lot into two parcels, for a total of four units that can each be sold as separate units, can help enable affordable home ownership for first time buyers.

Funding Source: Inclusionary Housing

Responsible Agency: Housing and Community Services Division and HouseKeys

Discrete Objectives:

- By the end of 2024, ~~explore and~~ present to the ~~Housing Commission~~ City Council proposed changes to the BMP program to keep homes affordable for longer than 5 years by requiring resale to income eligible homeowners in the program. This change could also make Santa Clara's BMP program compatible with Santa Clara County subsidies that are intended to make homeownership attainable for low and very low-- income households. If approved, implement the change by December 2025.

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Continue to promote homeownership for first time buyers through units that are income restricted and marketed under the City's inclusionary ordinance.
- Encourage program participation for all levels of household income that meet eligibility criteria.
- Continue to promote homebuyer assistance programs through the Housing Trust Silicon Valley, County of Santa Clara, Habitat for Humanity, and the County's Office of Supportive Housing (Measure A).

Relevant Policies: Policy B-3, Policy C-1, Policy D-1

Action 16: Fair Housing Program

The City contracts with a qualified fair housing services provider to provide fair housing services to its residents. Currently, the City utilizes Project Sentinel, a nonprofit agency that provides information and dispute resolution services to tenants, landlords, and roommates. Since 2009, Project Sentinel has assisted over 1,000 Santa Clara households and landlords to resolve disputes through counseling, conciliation, and mediation.

Funding Source: CDBG

Responsible Agency: Housing and Community Services Division



SANTA CLARA HOUSING ELEMENT

Discrete Objectives:

- ~~-By the end of 2024 analyze the feasibility of setting a rent deposit limit and present findings from that analysis to the Housing Commission and City Council.~~
- ~~-By the end of 2025, bring forward a proposal for City Council consideration to write an ordinance that requires landlords to provide a City approved multilingual brochure to all tenants with every lease signing that summarizes landlord and tenant rights under state law. If the ordinance is approved, conduct a series of educational workshops with local landlords and tenants.~~
- ~~- Explore using~~By fall 2028, develop a CDBG Notice of Funding Availability that ~~dollars to~~ awards additional points to fund place-based capital improvements ~~to that~~ improve access to opportunities in HUD designated low-income and distressed areas of the City.
- ~~- By June 2027, complete construction of 36 curb ramps, 12 curb bulb-outs, 50 feet of new sidewalk, 2 new traffic signals, 2 new Pedestrian Hybrid Beacons, 2 new Rectangular Rapid Flashing Beacons, upgrade 2 existing traffic signals, install 10 streetlights, and install over 5,000 ft of Class II & III bike lanes at various locations along Cabrillo Ave, Lafayette St, Monroe St, Royal Dr, Scott Blvd, and Warburton Ave in Central Santa Clara to improve safety and mobility. This area overlaps with an MTC Equity Priority Community and is considered a Low Opportunity Area by TCAC.~~
- ~~- By 2027, Market the Silicon Valley Hopper ride share service Citywide in Central and North Santa Clara once it becomes available. This service will help connect lower income residents to major employment centers, VTA Light Rail, Caltrain and the future BART station.~~

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Continue to refer tenant-landlord complaints to an agency offering meditation, within five (5) business days of receiving the complaint.
- Provide referral services and promotional support to link those experiencing discrimination in housing with public or private groups who handle complaints against discrimination.

- Seek state and federal enforcement of fair housing laws and continue to cooperate with local agencies investigating claims of discrimination in lending practices and predatory lending.

~~- Provide outreach and education materials about fair housing services and nonprofit partners (e.g., Project Sentinel). Work with Project Sentinel and other nonprofit organizations to improve the City's webpage to include more landlord/tenant rights resources, rights regarding reasonable accommodation, and contact information in a format that is easily translatable using a web browser.~~

~~- Partner with nonprofit organizations and hold in-person open house events and meetings at least twice per year to distribute fair housing information, and resources about how to apply for affordable housing, distribute multilingual collateral (Spanish, Chinese, and Vietnamese) about landlord tenant rights under state law, rights regarding reasonable accommodation, and to tenants and homeowners in need of other forms of assistance and housing services.~~

- Refer disputes between property owners to the County Human Relations Commission's Dispute Officer within five (5) business days of the City being informed of the dispute.

Relevant Policies: Policy B-3, Policy C-1, Policy C-4, Policy D-1

Action 17: Homeless Services

In 2022 the City convened a six-month Homelessness Taskforce. The Taskforce included stakeholders with a range of perspectives and experience to help identify priorities and provide recommendations related to the development of a local plan to reduce homelessness and its impacts. Additionally, the City's Police Department conducts outreach through the Community Response Team and the Housing and Community Services Division administers grants to several local agencies that offer services to the homeless. The following agencies have received funding from the City:

- WeHope Dignity on Wheels Mobile Shower and Laundry Service
- Santa Clara County Homelessness Prevention System (HPS)
- Santa Clara County case management for permanent supportive housing clients
- Next Door Solutions to Domestic Violence



SANTA CLARA HOUSING ELEMENT

- Emergency Housing Consortium
- St. Justin Community Ministry
- Bill Wilson Center
- Abode Services
- Community Technology Alliance
- InnVision

Funding Source: CDBG, HOME, HOME ARP, PHLA

Responsible Agency: Housing and Community Services Division

Discrete Objectives:

- Adopt and begin implementation the City's Homelessness Response Plan ~~in-by~~early-fall 2023. The Plan identifies the following priority areas:

- Conduct proactive street outreach with the goal of assessing people for supportive housing
- Address basic needs of people living outside, including shelter, health, and hygiene
- Build community understanding of the causes, needs, and experience of homelessness
- Reduce the impacts of unsheltered homelessness throughout the community
- Create broad based support for interim and permanent supportive housing as well as Extremely Low Income (ELI) housing development across the City
- Prevent homelessness for at-risk City residents

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Continue to provide street outreach through the Police Department's Community Response Team and additional proactive strategies to ensure that people experiencing homelessness in the City are assessed as part of the Coordinated Entry System and connected to other services.
- Continue to invest HOME funds into the City's Tenant Based Rental Assistance (TBRA) program.

- Continue to invest in the regional Homelessness Prevention System to provide emergency rent assistance, deposit assistance, and case management services.
- Target services to vulnerable populations, including at-risk youth, seniors, and persons with disabilities and unhoused families with children.

Relevant Policies: Policy B-3, Policy C-3, Policy D-1

Action 18: Shared Housing

Shared housing can be an affordable alternative for lower income seniors, disabled, and special needs residents when sufficient support and property management services are included. The City can support this housing type through acquisition and rehabilitation subsidies.

Funding Source: Departmental Budget, CDBG

Responsible Agency: Housing and Community Services Division

Discrete Objectives:

- In 2024, evaluate the need for shared housing services as part of the 2025-2030 HUD Consolidated Planning process.
- By 2025 explore ways to improve City staff capacity ~~the creation of a new City position~~ to help seniors and other special needs groups navigate the housing market and to access subsidized housing. (This objective was added in response to feedback from seniors, senior care providers, and Project Sentinel)
- By 2026 explore ways to increase access to service enhanced senior housing with rents capped at 30 percent of income versus based on median income limits. Present findings to the Senior Commission and City Council. (This objective was added in response to feedback from seniors).

Ongoing Objectives (on an annual basis, unless otherwise noted):

- Continue to support the creation of new shared housing for lower income persons with developmental disabilities by including acquisition or rehabilitation as a category in a notice of funding availability for affordable housing prior to 2026 (This objective was revised to reflect



SANTA CLARA HOUSING ELEMENT

community feedback that home sharing can work well for persons with developmental disabilities, but not as well for elderly residents).

Relevant Policies: Policy B-1, Policy C-2, Policy C-3, Policy C-4, Policy D-1, Policy D-2

Action 19: Tasman East Specific Plan Amendment

The Tasman East Specific Plan, adopted in 2018, has approved and proposed projects totaling 4,438 units, nearly the adopted capacity of 4,500 units. With approximately 10 acres of land zoned and still available for redevelopment, the City can help to facilitate the development of additional residential units by amending the Specific Plan and creating environmental clearance for those units.

Funding Source: Departmental Budget, SB2 grant

Responsible Agency: Planning Division

Discrete Objectives:

- By the end of 2023, adopt a Specific Plan amendment and associated environmental clearance allowing an additional 1,500 dwelling units in the Tasman East plan area. The amendment will include an update to the Tasman East Infrastructure Fee, to ensure that costs are shared equitably between developers.

Relevant Policies: Policy B-1, Policy B-2, Policy B-3, Policy B-4, Policy C-2, Policy D-1, Policy D-2, Policy D-3, Policy D-4, Policy D-5

Action 20: Water and Sewer Affordable Housing Service Provisions

Government Code, § 65589.7 requires Cities to have specific procedures to grant priority for water and sewer service to developments with units affordable to lower-income households.

Funding Source: Departmental Budget

Responsible Agency: Water and Sewer Department

Discrete Objectives:

- Within six months of certification of the Housing Element, adopt procedures to grant priority for water and sewer service to developments

with units affordable to lower-income households, per Government Code, § 65589.

Relevant Policies: Policy D-2, Policy D-3

Quantified Objectives

Table 13.2-1 summarizes the City of Santa Clara's quantified housing objectives for the 2023-2031 Housing Element planning period.

Table 13.2-1: Quantified Objectives

	<i>Units-to-be-Constructed (RHNA)</i>	<i>Units-to-Be-Rehabilitated</i>	<i>Units-to-Be-Conserved</i>
Extremely Low Income	1,436	2	5
Very Low Income	1,436	148	30
Low Income	1,653	50	45
Moderate Income	1,981	0	0
Above Moderate Income	5,126	0	0
Total	11,632	200	80

Source(s): City of Santa Clara, 2022

Table 13.2-1: Quantified Objectives

	<i>Income Level</i>					
	<i>Extremely Low</i>	<i>Very Low</i>	<i>Low</i>	<i>Moderate</i>	<i>Above Moderate</i>	<i>Total</i>
<u>Units to be Constructed¹</u>	<u>1,436</u>	<u>1,436</u>	<u>1,653</u>	<u>1,981</u>	<u>5,126</u>	<u>11,632</u>
<u>Units to be Rehabilitated²</u>	<u>300</u>				<u>=</u>	<u>300</u>
<u>Units to be Conserved³</u>	<u>75</u>			<u>=</u>	<u>=</u>	<u>75</u>

Source(s): City of Santa Clara, 2022

Notes:

1. Corresponds to RHNA units that potentially could be constructed using public and/or private sources over the planning period, given local land resources, constraints, and programs.
2. Number of existing income-restricted and unrestricted affordable units expected to be rehabilitated during the planning period.
3. Includes preservation of the 45 existing at-risk affordable housing units throughout the planning period (see Table 13.4-15) and additional affordable units that don't have expiring affordability restrictions but are showing signs of potential financial distress.

* The quantified objectives for units to be rehabilitated and units to be conserved are supported by the following Actions in the Housing Plan: Action 3 Affordable Housing Incentives and Facilitation; Action 4 Maintenance of Housing Stock; Action 5 Preservation of Assisted Rental Housing; Action 6 Acquisition of Multi-Family Housing; Action 7 Code Enforcement Program; Action 8 Neighborhood Relations Program.



**SANTA CLARA
HOUSING ELEMENT**

Goals and Policies	1
Implementing Actions.....	3
Quantified Objectives	29
List of Tables	
Table 13.2-1: Quantified Objectives.....	29

Chapter 13.3

Affirmatively Furthering Fair Housing

Introduction and Overview of AB 686

In January 2017, Assembly Bill 686 (AB 686) introduced an obligation to affirmatively further fair housing (AFFH) into California state law. AB 686 defined “affirmatively further fair housing” to mean “taking meaningful actions, in addition to combat discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity” for persons of color, persons with disabilities, and other protected classes.

AB 686 requires that all housing elements prepared on or after January 1, 2021, assess fair housing. An assessment of fair housing must consider the elements and factors that cause, increase, contribute to, maintain, or perpetuate segregation, racially or ethnically concentrated areas of poverty, significant disparities in access to opportunity, and disproportionate housing needs.

This chapter will first identify conclusions drawn from the local knowledge summarized in Appendix A and from Chapter 13.4 Housing Needs Assessment. Next the analysis will assess fair housing issues using data and maps and analysis of the Housing Element site inventory. The chapter concludes with a prioritized list of contributing factors based on the above conclusions. Each contributing factor is thoroughly addressed by the Goals, Policies, and Actions of the Housing Plan in Chapter 13.2.



Local Knowledge:

Appendix A details the extensive outreach process that was conducted for this Housing Element and the feedback that was gathered. The following summarizes key themes that were noted from this local input:

- There is a clear need to build more extremely low and very low-income housing particularly for seniors, people with developmental disabilities, low wage workers, and large families to reduce housing cost burden, overcrowding, displacement, and to prevent homelessness.
- There is a need for more senior housing options that are based on actual incomes not Area Median Income.
- There is concern around rent gouging and high deposits which can lead to displacement.
- There is a need to monitor naturally occurring affordable housing and deed restricted housing that is at-risk of conversion or redevelopment.
- There is a need to prevent and reduce homelessness and its impacts in Santa Clara.
- Residents with disabilities are having trouble getting reasonable accommodations from housing providers, there is a need for more licensed care facilities, and there is a need for more housing choices in new affordable housing for persons with disabilities.
- There is a need to increase first-time homeowner opportunities and to provide more workforce housing for teachers, emergency responders, and nonprofit workers.
- Seniors and others with limited access to the internet need more assistance with searching and applying for affordable housing opportunities.
- There is a need to improve outreach about affordable housing opportunities for Hispanic/Latino, Chinese, Vietnamese, Filipino and possibly other residents who have limited English proficiency.
- There is a need for ongoing education on tenant and landlord rights given recent changes to state law.
- Access to clean air is a concern for residents living near freeways and expressways and in affordable housing without air conditioning given the increase in extreme heat and wildfire smoke pollution.

Chapter 13.4 includes a housing needs analysis. The following summarizes key themes that were noted in that chapter:

- Since 2010, the percentage of Santa Clara's population that is White (Non-Hispanic/Latino) decreased by 4%, Hispanic/Latino decreased by 2% and Asian/Pacific Islander increased by 6%.

- Santa Clara's population is younger and had higher income compared with the County
- Rents and home prices are higher in Santa Clara compared with the County
- Vacancy rates in Santa Clara are lower compared with the County, especially for larger housing units
- Santa Clara has a 1% higher rate of overcrowding compared with the County.
- Large households, Female Headed Households, and Elderly (65+ years) are three of the largest special needs groups in Santa Clara.
- Female-headed households in Santa Clara live in poverty at a much higher rate than all households living in poverty.
- The most common type of disability in Santa Clara was ambulatory followed by difficulty living independently.
- The number of residents with developmental disabilities age 62 and older is growing Countywide. As older adults live longer and as licensed care facilities close, there will be fewer care options for such adults unless new housing options are developed.
- There are insufficient shelter and transitional housing options for unhoused residents in Santa Clara and unsheltered homelessness ishas increased since 2019.
- Overcrowding affects renter households more.

Assessment of Fair Housing:

A summary of fair housing issues and assessment of the City's fair housing enforcement and outreach capacity; an analysis of segregation patterns and disparities in access to opportunities; an assessment of contributing factors; and identification and prioritization of fair housing goals and actions.

A sites inventory that accommodates all income levels of the City's share of the RHNA that also serves the purpose of furthering more integrated and balanced living patterns.

Responsive housing programs that affirmatively further fair housing, promote housing opportunities throughout the community for protected classes, and address contributing factors identified in the assessment of fair housing.

The analysis must address patterns at a regional and local level and trends in patterns over time. This analysis compares the locality at a county level for the purposes of promoting more inclusive communities.



Sources of Information

- U.S. Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS) reports
- U.S. Census Bureau's Decennial Census (referred to as "Census") and American Community Survey (ACS)
- HCD's AFFH Data Viewer
- Local Knowledge

In addition, HCD has developed a statewide AFFH Data Viewer. The AFFH Data Viewer consists of map data layers from various data sources and provides options for addressing each of the components within the full scope of the assessment of fair housing. The data source and time frame used in the AFFH mapping tools may differ from the ACS data. While some data comparisons may have different time frames (often different by one year), the differences do not affect the identification of possible trends.

AFFH and the Housing Plan

Fair Housing and Housing Resources

In addition to updating the Housing Element of the City of Santa Clara's General Plan, the jurisdiction has been participating in the regional Fair Housing Assessment being prepared for the U.S. Department of Housing and Urban Development (HUD). The process has provided an initial framework for the local analysis of fair housing within the City and has been informed by additional demographic research and local knowledge that has supported the City's Housing Plan Goals, Policies, and Actions. Starting in the 5th cycle, the City has utilized "specific plans" as an effective means addressing housing needs within the context of fair housing, as the "specific plan" process is a public process utilizing community engagement, the City's Affordable Housing Ordinance, and increased densities to provide housing for a variety of income levels. "Specific plans" also allow for more complete communities that integrate market rate and affordable housing with park space and other amenities.

Additionally, based upon the AFFH analysis provided in this chapter, the process can be further enhanced by the application of this fair housing lens in the development of the City's Housing Plan to increase monitoring and enforcement, increased and deeper community outreach and engagement, additional attention to protected classes, and being proactive in addressing the root

causes of housing disparity before they occur or become further entrenched. In light of the increased housing activity, the City has not experienced displacement as the “specific plan” areas are transitioning into mixed-use housing developments and not redeveloping existing housing stock. Nonetheless, the City has identified displacement as an issue to monitor and develop specific actions and policies in the Housing Plan, as part of the five focus areas previously mentioned in this chapter.

Even though the City relies heavily upon “specific plan” parcels to meet its RHNA, additional housing development is not exclusive to the parcels identified in the Housing Element. Additionally, engagement with the community on additional specific plan areas will continue as we prepare the jurisdiction for the 7th cycle Housing Element as the parcels identified in the Housing Element for housing development are located in or near Moderate to High Resources Areas, and not in areas of concentrated poverty. Further, the investment in and around “specific plan” areas and additional amenities in the Northern portion of the jurisdiction has resulted in a change from moderate to high resource. Additionally, the Northern portion of the jurisdiction contains approximately 74% of the identified units designated to satisfy the RHNA in the City’s Sites Inventory. ~~The jurisdiction intentionally avoided areas of low resource (see Figure 13.3 20: TCAC Opportunity Areas) and concentrations of poverty (see Figure 13.3 16: “R/ECAPS”) in the “specific plan” process.~~ While most of these project areas are primarily in the Northern half portion of the jurisdiction, housing development has taken place, and will continue to take place, throughout the jurisdiction. This is more evident in the distribution of permitted ADUs in the City, and general interest in the El Camino Real corridor, where the City is in the process of re-evaluating the proposed specific plan for that portion of the community.

Fair Housing Enforcement, Education and Outreach

Fair housing enforcement and outreach capacity refers to the ability of a locality and fair housing entities to disseminate information related to fair housing laws and rights and provide outreach and education to community members. Enforcement and outreach capacity also includes the ability to address compliance with fair housing laws, such as investigating complaints, obtaining remedies, and engaging in fair housing testing. The Fair Employment and Housing Act and the Unruh Civil Rights Act are the primary California fair housing laws. California state law extends anti-discrimination protections in housing to several classes that are not covered by the federal Fair Housing Act (FHA) of 1968, including prohibiting discrimination on the basis of sexual orientation. Table 13.3-2-1 below describes the Fair Housing service providers in Santa Clara County and the City of Santa Clara, including local housing, social, and legal services.

Table 13.3-1: Fair Housing Providers in Santa Clara County and Santa Clara

<i>Provider</i>	<i>Services</i>
Project Sentinel	Provides education and counseling to community members and housing providers about fair



SANTA CLARA
HOUSING ELEMENT

Table 13.3-1: Fair Housing Providers in Santa Clara County and Santa Clara

<i>Provider</i>	<i>Services</i>
	housing law. Investigates complaints and provides advocacy for those experiencing housing discrimination.
Bay Area Legal Aid	Largest civil legal aid provider serving seven Bay Area counties. Has a focus area in housing preservation and a homelessness task force to provide legal services and advocacy for those in need.
Law Foundation of Silicon Valley	Provides free legal advice and representation on housing matters to low-income families and individuals in Santa Clara County.
Senior Adults Legal Assistance	Non-profit elder law office supporting residents 60 years and older in Santa Clara County to live safely and independently. Attorneys provide legal services from advice and referrals to legal representation.
Asian Law Alliance	A non-profit providing equal access to the justice system for Asian and Pacific-Islander low-income populations in Silicon Valley. Providing legal counseling and language assistance for individuals seeking housing.

Source(s): City of Santa Clara, 2022

California's Department of Fair Employment and Housing (DFEH) has statutory mandates to protect the people of California from discrimination pursuant to the California Fair Employment and Housing Act (FEHA), Ralph Civil Rights Act, and Unruh Civil Rights Act (with regards to housing).

The FEHA prohibits discrimination and harassment on the basis of race, color, religion, sex (including pregnancy, childbirth, or related medical conditions), gender, gender identity, gender expression, sexual orientation, marital status, military or veteran status, national origin, ancestry, familial status, source of income, disability, and genetic information, or because another person perceives the tenant or applicant to have one or more of these characteristics.

The Ralph Civil Rights Act (Civ. Code, § 51.7) guarantees the right of all persons within California to be free from any violence, or intimidation by threat of violence, committed against their persons or property because of political affiliation, or on account of sex, race, color, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, sexual orientation, citizenship, primary language, immigration status, or position in a labor dispute, or because another person perceives them to have one or more of these characteristics.

The Unruh Civil Rights Act (Civ. Code, § 51) prohibits business establishments in California from discriminating in the provision of services, accommodations, advantages, facilities and privileges to clients, patrons and customers because of their sex, race, color, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, sexual orientation, citizenship, primary language, or immigration status.

Table 13.3-2: Number of DFEH Housing Complaints in Santa Clara County (2020)

<i>Year</i>	<i>Housing</i>	<i>Unruh Civil Rights Act</i>
2015	73	8
2016	52	7
2017	33	22
2018	28	14
2019	28	14
2020	33	10

Source(s): <https://www.dfeh.ca.gov/LegalRecords/?content=reports#reportsBody>

Table 13.3-43 summarizes fair housing cases filed by the federal Office of Fair Housing and Equal Opportunity Housing in Santa Clara County. The table indicates that discrimination cases based on disability were by far the most common followed by race, and familial status (households with at least one child under 18).

Table 13.3-3: Number of FHEO Filed Cases by Protected Class in Santa Clara County (2015–2020)

<i>Year</i>	<i>Number of Filed Cases</i>	<i>Disability</i>	<i>Race</i>	<i>National Origin</i>	<i>Sex</i>	<i>Familial Status</i>
2015	53	26	20	6	6	8
2016	40	22	3	7	1	11
2017	31	16	4	3	4	7
2018	36	21	5	6	4	3
2019	38	23	7	1	2	7
2020	16	7	7	2	2	2
Total	214	115	46	25	19	38
Percentage of Total Filed Cases						
*Note that cases may be filed on more than one basis.		53.7%	21.5%	11.6%	8.8%	17.7%

Source(s): Data.Gov - Department of Housing and Urban Development Office of Fair Housing and Equal Opportunity (FHEO) Filed Cases, <https://catalog.data.gov/dataset/fheo-filed-cases>

The City funds fair housing education, investigation, enforcement, and outreach annually. In program year 2020, the area non-profit Project Sentinel received \$20,000 of local funds for the



SANTA CLARA HOUSING ELEMENT

provision of fair housing services. Project Sentinel provides comprehensive fair housing services including investigation, counseling, referral, and education designed to reduce the incidence of illegal discrimination in housing. In program year 2020, the agency assisted 31 individuals and conducted landlord/tenant mediation assisting 336 households, along with outreach activities to residents, service providers, and housing providers through education and information sessions on fair housing law and Project Sentinel's services.

Services that were not provided include (2.) Case tested by phone; (4.) Case referred to HUD and (8.) Case accepted for full representation. The most common action(s) taken/services provided are providing clients with counseling, followed by sending testers for investigation, and conciliation with landlords. Regardless of actions taken or services provided, almost 45% of cases are found to have insufficient evidence. Only about 12% of all cases resulted in successful mediation.

The City of Santa Clara complies with all State and federal fair housing laws and regulations and is not aware of any fair housing findings, lawsuits, enforcement actions, settlements, or judgements.

Fair Housing Testing

Fair housing testing is a randomized audit of property owners' compliance with local, state, and federal fair housing laws. Initiated by the Department of Justice's Civil Rights Division in 1991, fair housing testing involves the use of an individual or individuals who pose as prospective renters for the purpose of determining whether a landlord is complying with local, state, and federal fair housing laws.

California Department of Fair Employment and Housing (DFEH)

Residents may submit complaints to the DFEH, which is the statewide agency that enforces fair housing laws. The DFEH will investigate and determine whether or not the complainant has a right to sue. In 2018, DFEH received over 600 complaints from residents of Santa Clara County.

Assessment of Fair Housing Issues

The following analysis will use data and maps to analyze patterns of segregation, racial or ethnic concentrations of poverty, disparities in access to opportunity, and disproportionate housing needs. The City's land use and development patterns have created three distinct areas to help focus this discussion. These areas will be referenced throughout the assessment:

Northern Santa Clara: Highway 237 south to Highway 101: Northern Santa Clara is a mix of industrial, office, residential, and has several large specific plan areas where new residential and mixed-use neighborhoods are beginning to take shape as industrial areas are converted.

Central Santa Clara: Highway 101 south to the Union Pacific railroad tracks. Central Santa Clara has been historically industrial with very few residential areas. Three large, mostly market-rate, residential projects have recently been approved in this area: Lawrence Station Area Plan, Santa Clara Square, and Gateway Crossings. In addition to these, a small pocket of older single family, duplex, and apartments is located north of the railroad tracks on the west side of Lafayette Street.-

Southern Santa Clara: Union Pacific railroad tracks south to Stevens Creek Boulevard. The southern part of Santa Clara historically has been composed of older single-family neighborhoods, Santa Clara University, and the El Camino Real and Steven's Creek commercial corridors.

~~Central Santa Clara has generally low socio-economic standards for residents. This area has been historically industrial with very few residential areas. The few residential areas require proactive outreach programs to connect with residents, market programs, and inclusionary housing opportunities available elsewhere in the city.~~

Race/Ethnicity

Segregation is defined as the separation or isolation of a race/ethnic group, national origin group, individuals with disabilities, or other social group by enforced or voluntary residence in a restricted area, by barriers to social connection or dealings between persons or groups, by separate educational facilities, or by other discriminatory means.

To measure segregation in a given jurisdiction, the US Department of Housing and Urban Development (HUD) provides racial or ethnic dissimilarity trends. Dissimilarity indices are used to measure the evenness with which two groups (frequently defined on racial or ethnic characteristics) are distributed across geographic units, such as block groups within a community. The index ranges from 0 to 100, with 0 meaning no segregation and 100 indicating complete segregation between the two groups. The index score can be understood as the percentage of one of the two groups that would need to move to produce an even distribution of racial/ethnic groups within the specified area. For example, if an index score is above 60, 60 percent of people in the specified area would need to move to eliminate segregation.

The following shows how HUD views various levels of the index:

- <40: Low Segregation
- 40-54: Moderate Segregation
- >55: High Segregation

Ethnic and racial composition of a region is useful in analyzing housing demand and any related fair housing concerns as it tends to demonstrate a relationship with other characteristics such as household size, locational preferences, and mobility. Prior studies have identified socioeconomic status, generational care needs, and cultural preferences as factors associated with “doubling



SANTA CLARA HOUSING ELEMENT

up”—households with extended family members and non-kin. These factors have also been associated with ethnicity and race. Other studies have also found that minorities tend to congregate in metropolitan areas, though their mobility trend predictions are complicated by economic status (minorities moving to the suburbs when they achieve middle class) or immigration status (recent immigrants tend to stay in metro areas/ports of entry).

Regional Trends

Santa Clara County is a large, diverse jurisdiction where people of color represent a majority of the population. As of the 2019 census, 36 percent of residents were Asian, 31.5 percent of residents with non-Hispanic White, followed by Hispanic or Latino residents at 25 percent. The complete racial breakdown for the County can be seen in Table 13.3-55.

While overall rates of segregation in the County are moderate, rates have been growing since the 1990s. The most segregated group has consistently been Hispanic residents with an index score of 48.57 in 2010, up from 44.97 in 1990. The next most segregated group is Black residents with a 2010 index score of 47.67 up from 43.86 in 1990. This is followed by Asian residents with a 2010 index score of 30.21 up from 25.33 in 1990. Overall, in 2010, non-white and white residents had an index score of 31.5 which is considered low segregation, although this is up from 1990 when the score was 28.67.

Figure 13.3-31 geographically displays the percentage of the non-White population in the County. The higher percentage of non-White populations are concentrated around San Jose, Milpitas, Santa Clara, and Cupertino. In these areas, the non-White population percentage is as high as 61 to 80 percent. The largest racial group in the County is made up of Asian residents (36 percent), followed by White, non-Hispanic residents (31.5 percent), and Hispanic or Latino residents (25 percent).

Table 13.3-4: Racial/Ethnic Dissimilarity Trends (1990–2020)

<i>Dissimilarity Index</i>	<i>Santa Clara County</i>			
	<i>1990 Trend</i>	<i>2000 Trend</i>	<i>2010 Trend</i>	<i>Current (2020 Census Block Group)</i>
Non-White/White	28.67	28.49	27.28	31.50
Black/White	43.86	41.59	41.88	47.67
Hispanic/White	44.97	46.52	46.26	48.57
Asian or Pacific Islander/White	25.33	26.68	25.6	30.21

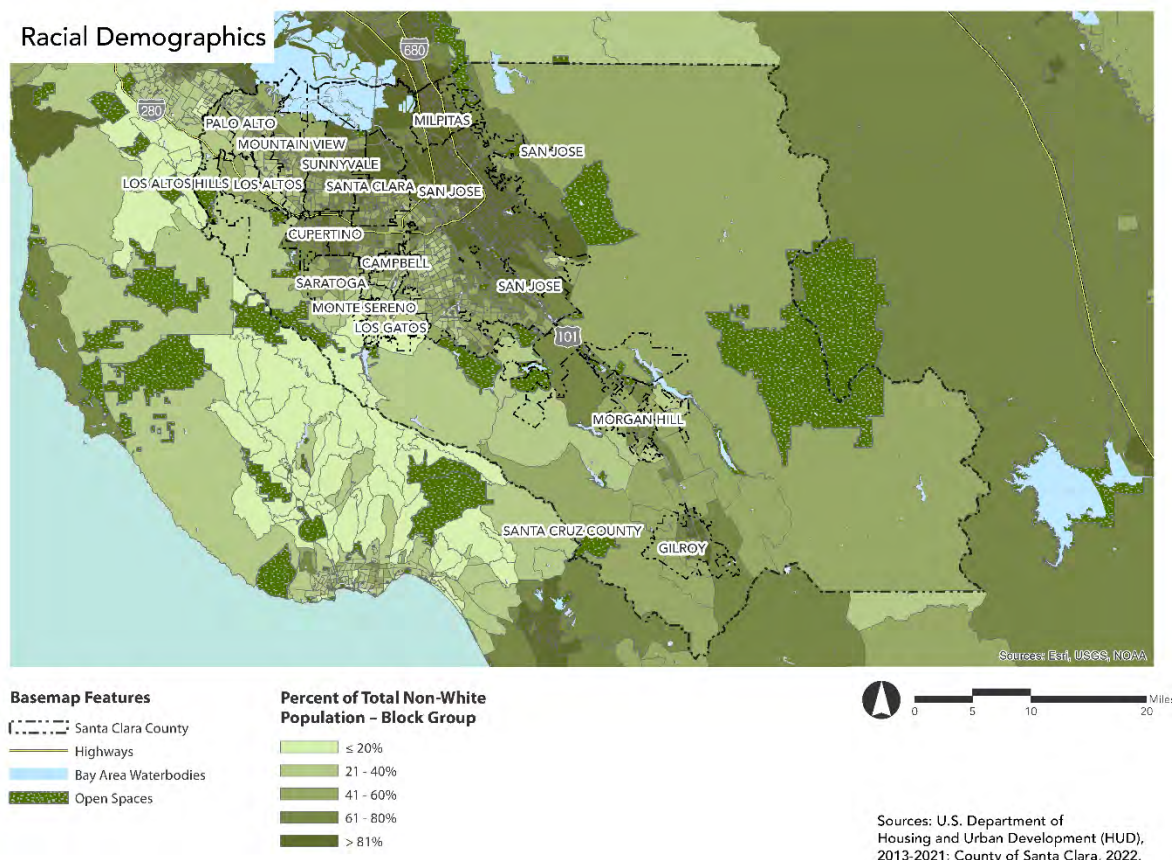
Source(s): HUD's Affirmatively Furthering Fair Housing Tool (AFFH-T), Table 13.3-5 – Racial/Ethnic Dissimilarity Trends, Data version: AFFHT006, released July 10th, 2020.

Note: Table 13.3-~~5~~4 presents Decennial Census values for 1990, 2000, 2010, all calculated by HUD using census tracts as the area of measurement. The “current” figure is calculated using block groups from the 2010 Decennial Census, because block groups can measure segregation at a finer grain than census tracts due to their smaller geographies. See https://www.hud.gov/program_offices/fair_housing_equal_opp/affh for more information.



SANTA CLARA HOUSING ELEMENT

FIGURE 13.3-11: REGIONAL RACIAL DEMOGRAPHICS (2021)



Local Trends

The demographics of Santa Clara are somewhat reflective of the County as a whole. The largest racial group in Santa Clara is Asian, Non-Hispanic at 43 percent which is also the largest racial group in the County. White, Non-Hispanic residents make up the second largest group in both the City and County at 31.5 percent. The largest difference in racial group between Santa Clara and the County is with Hispanic residents. In the County, Hispanic residents make up 25 percent of the population, while in the City they make up 17.3 percent.

Table 13.3-5: Racial Composition Santa Clara County and Santa Clara (2019)

	<i>Santa Clara County</i>	<i>Santa Clara</i>
White, non-Hispanic	31.5%	31.5%
Black or African American, non-Hispanic	2.3%	3%
American Indian and Alaska Native, non-Hispanic	0.2%	0.1%
Asian, non-Hispanic	36%	43%

Table 13.3-5: Racial Composition Santa Clara County and Santa Clara (2019)

	<i>Santa Clara County</i>	<i>Santa Clara</i>
Native Hawaiian and Other Pacific Islander, non-Hispanic	0.3%	0.6%
Some other race, non-Hispanic	0.2%	0.2%
Two or more races, non-Hispanic	3.5%	4%
Hispanic or Latino	25%	17.3%

Source(s): American Community Survey, 2015-2019

Table 13.3-76 below provides the dissimilarity index values indicating the level of segregation in Santa Clara between white residents and residents who are Black, Hispanic, or Asian/Pacific Islander. The table also provides the dissimilarity index between white residents and all residents of color in the City, and all dissimilarity index values are shown across three time periods (2000, 2010, and 2020).

In the City of Santa Clara racial and ethnic integration trends are less segregated than County trends in 2020. The highest segregation in the City is between Asian or Pacific Islander and white residents. Santa Clara's Asian or Pacific Islander / white dissimilarity index means that 22.8% of Asian (or white) residents would need to move to a different neighborhood to create perfect integration between Asian or Pacific Islander residents and white residents.

For context and comparison, the Santa Clara County column provides the dissimilarity index values for these racial group pairings in 2020.

Table 13.3-6: Racial/Ethnic Dissimilarity Trends within Santa Clara

<i>Dissimilarity Index</i>	<i>Santa Clara County</i>	<i>Santa Clara</i>		
	<i>2020</i>	<i>2000</i>	<i>2010</i>	<i>2020</i>
<u>Non-White/White</u>	<u>31.5</u>	<u>22.9</u>	<u>23.7</u>	<u>18.9</u>
<u>Black/White</u>	<u>47.67</u>	<u>19.9</u>	<u>21.0</u>	<u>22.3</u>
<u>Hispanic/White</u>	<u>48.57</u>	<u>21.2</u>	<u>21.1</u>	<u>17.7</u>
<u>Asian or Pacific Islander/White</u>	<u>30.21</u>	<u>27.6</u>	<u>28.6</u>	<u>22.8</u>

Source(s): IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Note: If a number is marked with an asterisk (*), it indicates that the index is based on a racial group making up less than 5 percent of the jurisdiction population, leading to unreliable numbers.

Within Santa Clara there are some notable geographic differences in racial demographics within the city. The northern and central areas of Santa Clara have a non-white population between 61

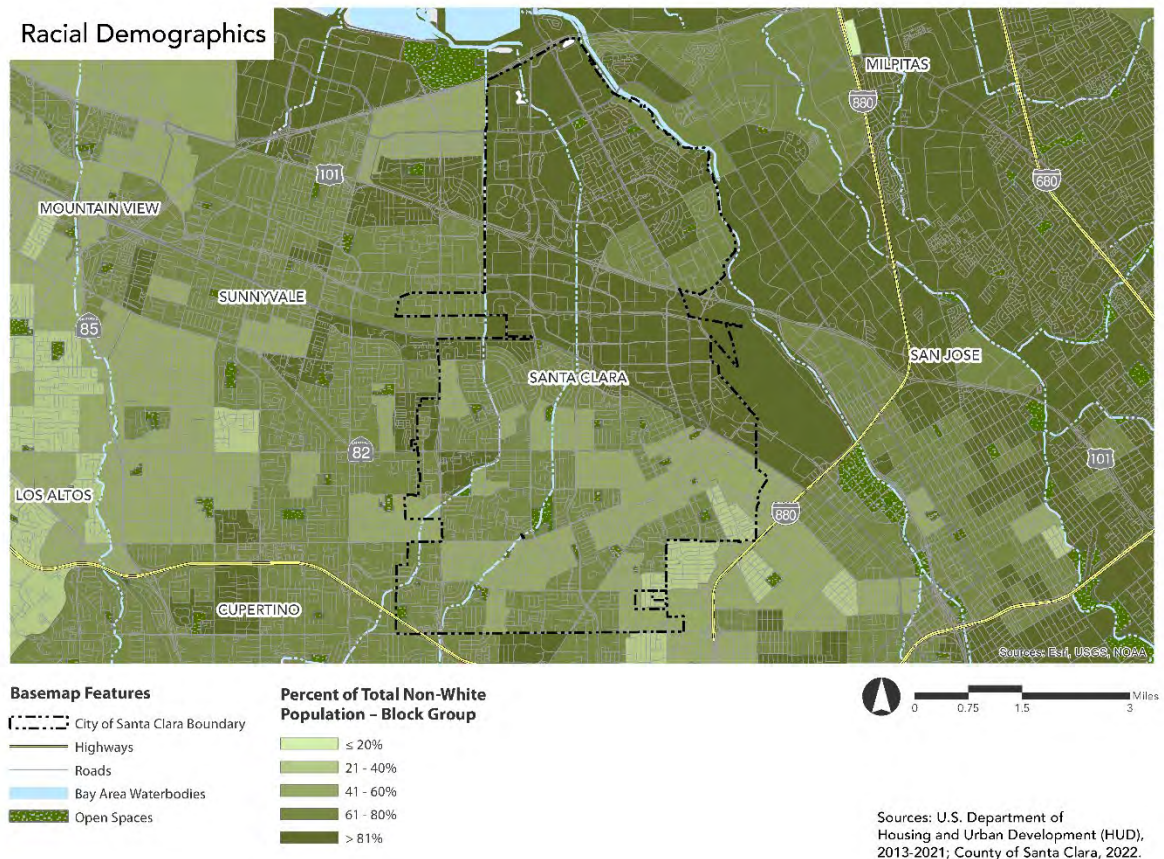


SANTA CLARA HOUSING ELEMENT

to 80 percent. In the northern part of the city there are a few tracts where this percentage drops to 41 to 60 percent. The southern part of the city has a patchwork pattern of tracts with non-White groups between 21 to 40 percent and 41 to 60 percent. There are a few tracts where this percentage goes as low as 20 percent and below, or as high as 61 to 80 percent, but these are just small pockets.

Figure 13.3-42 further indicates that the southern portion of the City has a lower percentage of non-white residents than the central and northern areas. Figure 13.3-53 shows more detail on how specific racial and ethnic groups are concentrated in Santa Clara. This map shows that residents that identify as Asian alone (not Hispanic/Latino) residents are the predominant group through most of northern, central, and southern Santa Clara with the exception of south east Santa Clara which is predominantly white alone (not Hispanic/Latino).

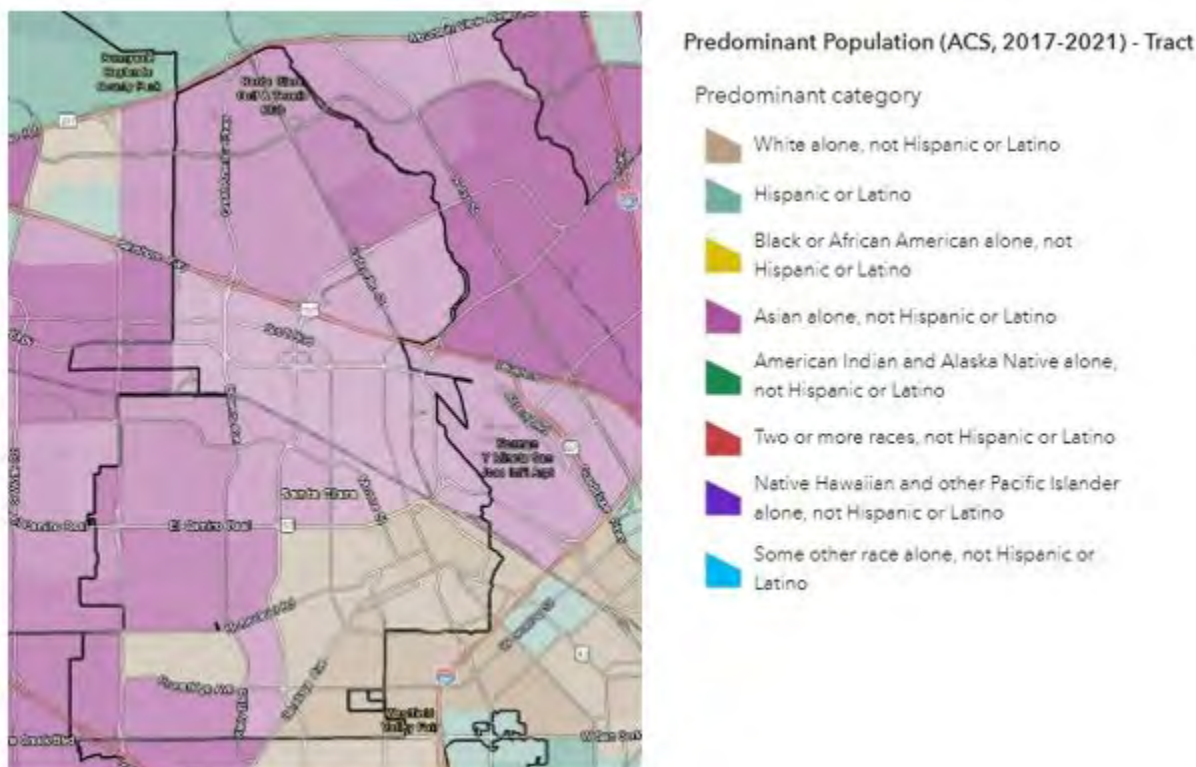
Central Santa Clara, has a number of fair housing concerns and a mix of mostly Asian/Pacific Islander, White, and Hispanic/Latino residents. Upon closer analysis, census tract 5052.02 has a disproportionate number of Hispanic/Latino residents (25% Hispanic/Latino residents compared to the citywide proportion of only 17%). The area is 38.6% Asian/Pacific Islander but the citywide proportion for those groups combined is 44%. This suggests a need to conduct outreach in Spanish as well as other languages. and located adjacent to Santa Clara University and the Santa Clara Caltrain commuter rail station and future BART station. Note there is a second Caltrain Station in Central Santa Clara at Lawrence Expressway near Kifer Road.

FIGURE 13.3-2: RACIAL DEMOGRAPHICS OF SANTA CLARA (2021)



SANTA CLARA
HOUSING ELEMENT

FIGURE 13.3-33: PPREDOMINANT POPULATION OF SANTA CLARA (2017-2021)



Source: HCD AFFH 2.0 Data Viewer (May 2023).

Note: The intensity of the color corresponds with the percentage of the predominant population compared to the total population of the Census Tract (i.e., darker colors represent a greater percentage).

Overall, according to the 2022 ABAG isolation interactive maps and reports, racial isolation in the City is low for White, Hispanic or Latino, and non-Hispanic and Black or African American populations, and high for Asian or Pacific Islander segments (Table 13.3-7).

Table 13.3-7: Racial Isolation Index Values for Segregation within Santa Clara

Race	Santa Clara		
	2000	2010	2020
<u>Asian/Pacific Islander</u>	<u>34.0</u>	<u>43.4</u>	<u>50.4</u>
<u>White</u>	<u>51.8</u>	<u>40.1</u>	<u>30.9</u>
<u>Hispanic/Latino</u>	<u>18.5</u>	<u>23.2</u>	<u>20.4</u>
<u>Black/African American</u>	<u>2.4</u>	<u>2.7</u>	<u>2.5</u>

Source(s): IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Another approach to measuring segregation employs the Divergence Index, which measures the difference between the overall population of a group in a region and the proportion of each group in a local area within that region. The Divergence Index provides a single measure of segregation for multiple racial groups. This index ranges between 0 (no segregation) to 1 (complete segregation) with low segregation (less than approximately 0.11), high segregation (above approximately 0.21), with moderate segregation levels in between.

According to a November 18, 2020 report (updated in October 11, 2021) by the Othering and Belonging Institute at UC Berkeley, the City of Santa Clara, with an inter-municipal divergence index score of 0.0592, is one of the most diverse and integrated cities in the Bay Area.

Table 13.3-8 shows the Divergence Index scores for cities/towns in Santa Clara County and their corresponding level of segregation.

Table 13.3-8: Divergence Index Scores within Santa Clara County

<i>Cities/Towns</i>	<i>Inter-Municipal Divergence</i>	<i>Level of Segregation</i>
<u>Mountain View</u>	<u>0.0249</u>	<u>Low</u>
<u>Campbell</u>	<u>0.0467</u>	<u>Low</u>
<u>Santa Clara</u>	<u>0.0592</u>	<u>Low</u>
<u>San Jose</u>	<u>0.0676</u>	<u>Low</u>
<u>Sunnyvale</u>	<u>0.0923</u>	<u>Low</u>
<u>Morgan Hill</u>	<u>0.1054</u>	<u>Low</u>
<u>Palo Alto</u>	<u>0.1551</u>	<u>Moderate</u>
<u>Los Altos</u>	<u>0.2453</u>	<u>High</u>
<u>Saratoga</u>	<u>0.2573</u>	<u>High</u>
<u>Los Altos Hills</u>	<u>0.2632</u>	<u>High</u>
<u>Los Gatos</u>	<u>0.2673</u>	<u>High</u>
<u>Monte Sereno</u>	<u>0.2919</u>	<u>High</u>
<u>Gilroy</u>	<u>0.3196</u>	<u>High</u>
<u>Milpitas</u>	<u>0.3645</u>	<u>High</u>
<u>Cupertino</u>	<u>0.4294</u>	<u>High</u>

Source: "The Most Segregated (and Integrated) Cities in the SF Bay Area". The Othering and Belonging Institute UC Berkeley. November 18, 2020 (updated October 11, 2021).

~~These There are areas of the City with a higher non-White population have that overlap with a number of other variables that likely impact and influence one another.~~ Central Santa Clara has higher areas of low to moderate income levels (LMI) (Figure 13.3-152). Central Santa Clara overlaps with LMI levels of 50 to 75 percent. There is a census tract in northern Santa Clara where LMI levels are between 75 to 100 percent. Central Santa Clara also overlaps with lower household incomes (\$87,000) compared to the rest of the city (Figure 13.3-1920). These lower incomes likely



SANTA CLARA HOUSING ELEMENT

contribute to the higher rates of overpayment by renters in central Santa Clara (40 to 60 percent) (Figure 13.3-~~36~~40). Central Santa Clara is also identified as a low resource area using the TCAC scoring system (Figure 13.3-~~21~~22) which considers economic, educational, and environmental factors. Lastly, CalEnviroScreen scores in Central Santa Clara are between 50 to 74 percent which indicate less healthy conditions (Figure 13.3-~~32~~36).

~~Santa Clara is to the East of both Sunnyvale and Mountain View and to the West of Milpitas. These cities have similar population numbers so will serve as a comparison points. Directly to the east of Santa Clara is North San Jose which is a part of the city of San Jose, a much larger city and thus will not serve as a comparison for Santa Clara.~~

Historic Context

Although the City of Santa Clara is a racially diverse community with relatively low levels of segregation, there are only small numbers of African American residents, both in the City of Santa Clara and in the ~~the~~ county as a whole. This is a result of systemic racism in private lending practices, federal loan guarantees, and local zoning and infrastructure decisions in the postwar years, as documented in the book, “The Color of Law” by Richard Rothstein. Among other examples, the book documents the efforts of Ford workers and their union to get housing built for African American workers at the Milpitas Ford Plant in the 1950s.

After the Ford workers discovered that no Milpitas-area developers would sell homes to African Americans, they enlisted the help of a Quaker service group devoted to racial equity who helped find a willing lender to fund an integrated subdivision in unincorporated Mountain View, and is described in the excerpt from Rothstein’s book below:

“But when the builder's intent to sell both to blacks and whites became known, the Santa Clara Board of Supervisors rezoned the site from residential to industrial use. When he found a second plot, Mountain View officials told him that they would never grant the necessary approvals. He next identified a third tract of land in another town near the Ford plant; when officials discovered that the project would not be segregated, the town adopted a new zoning law increasing the minimum lot size from 6,000 to 8,000 square feet, making the project unfeasible for working class buyers. After he attempted to develop a fourth site on which he had an option, the seller of the land canceled the option upon learning that the project would be integrated. At that point, the builder gave up.”
(The Color of Law, p. 117)

The effects of those discriminatory practices and decisions linger on, both in Milpitas, and in Santa Clara County generally. Additionally, Rothstein continues to describe that “Milpitas is no longer all white - it now has many Hispanic and Asian families - but the effects of its earlier segregation remain visible: African Americans make up only 2 percent of the population.” (The Color of Law, p. 121)

The City of Santa Clara has a similar history in the sense that today’s Santa Clara is well-integrated and does not include a majority of any race or ethnicity. However, during the 1960 census, when the City’s population exploded to 58,800, up from 11,702 in 1950, the City gained less than a thousand non-white residents, and remained 98% white. The City, which was originally focused around downtown, Santa Clara University and the train station, initially added housing after World War II to the south of downtown. This was during the time that racial covenants and discriminatory lending practices were in full effect. Those neighborhoods



SANTA CLARA HOUSING ELEMENT

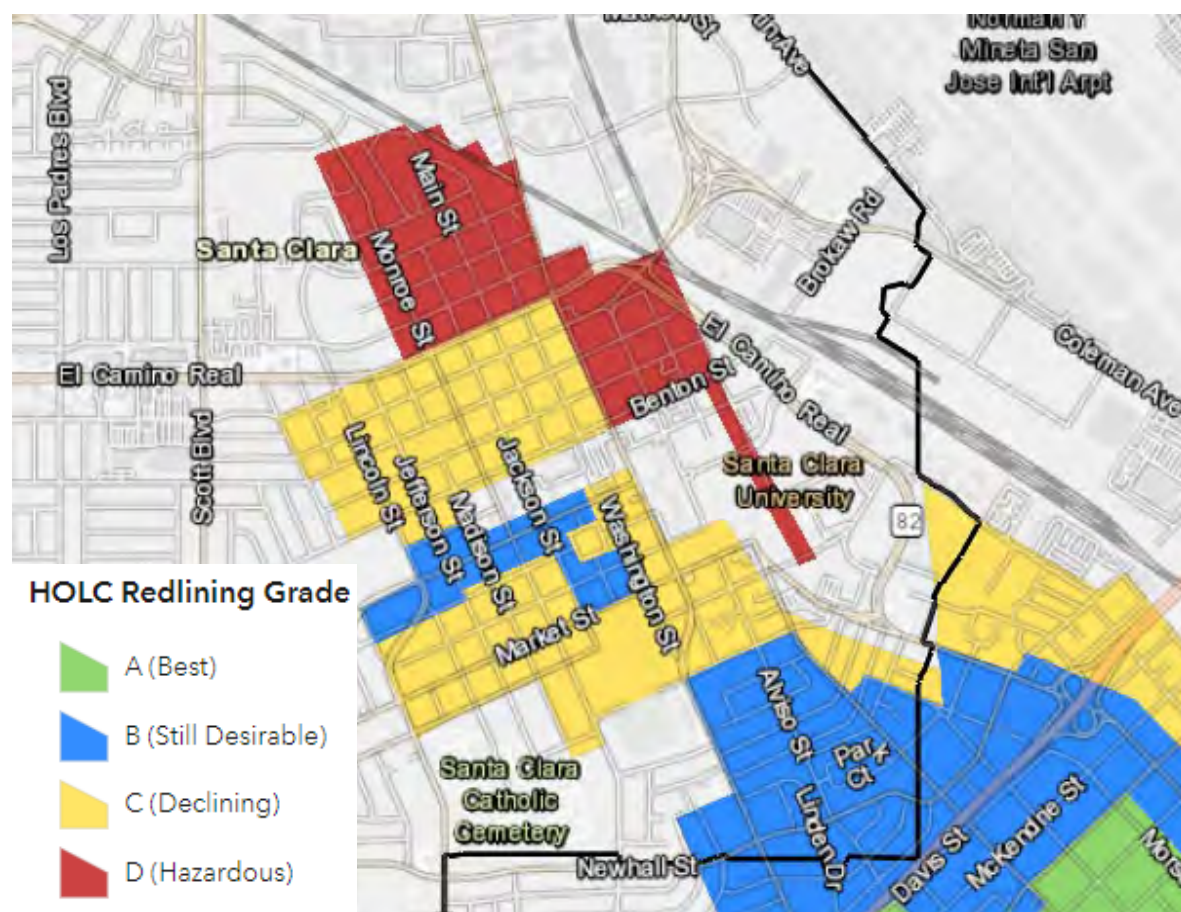
south of downtown still have a significantly higher proportion of white residents (likely original purchasers of housing or their children) than other parts of Santa Clara.

More recently developed neighborhoods have been added to the north of HWY Highway 101 and are more reflective of the City's diversity.

In the 1930s and 1940s, a federal agency called the Home Owners' Loan Corporation (HOLC), created maps of nearly 250 American cities, grading neighborhoods on a scale of A (Best) to D (Hazardous) for purposes of providing loan officers, appraisers, and real estate professionals with a tool for evaluating mortgage lending risk. Neighborhoods of color were far more likely to receive D or C grades with A or B grades reserved for white neighborhoods. Neighborhoods with a D (Hazardous) grade were often "redlined" by lending institutions, denying them access to credit, particularly mortgages.

The following figure shows HOLC redlining grades from (year)1937 indicating shows that the portions of Santa Clara's Old Quad neighborhood to the north and south of El Camino Real were considered assigned either "(D) Hazardous" or "(C) Declining" grades.

FIGURE 13.3-4: HOLC REDLINING MAP (1937)



Source: HCD AFFH 2.0 Data Viewer HOLC Redlining Grade (University of Richmond, 2021)

Many of the same blocks that were categorized as declining or hazardous in 1937 have elevated levels of low and moderate income (LMI) households today as shown later in this chapter in Figure 13.3-152.

Persons with Disabilities

In 1988, Congress added protections against housing discrimination for persons with disabilities through the FHA, which protects against intentional discrimination and unjustified policies and practices with disproportionate effects. The FHA also includes the following unique provisions to persons with disabilities: (1) prohibits the denial of requests for reasonable accommodations for persons with disabilities, if necessary, to afford an individual equal opportunity to use and enjoy a dwelling; and (2) prohibits the denial of reasonable modification requests. With regards to fair housing, persons with disabilities have special housing needs because of the lack of accessible and affordable housing, and the higher health costs associated with their disability. In addition, many may be on fixed incomes that further limit their housing options.

Regional Trends

According to the 2015-2019 American Community Survey (ACS) 5-year estimates, 154,212 residents (eight percent of Santa Clara County's population) report having one of six disability types listed in the ACS (hearing, cognitive, ambulatory, self-care, and independent living). The percentage of residents detailed by disability are listed in Table 13.3-79. In both Santa Clara County and the City of Santa Clara, the percentage of individuals with disabilities increases with age, with the highest percentage of individuals being those 75 years or older.

In Santa Clara, seven percent of the population experiences a disability. This rate is slightly lower than that of the County. The disability rate is highest among residents who identify as White (not Hispanic or Latino) (11.4 percent) and ~~Black or African American~~ Hispanic or Latino (of any race) (7.75 percent). In the County, the highest percentage of disabled residents by race is among American Indian and Alaska Native residents (14.4 percent) and Black or African American residents (10.7 percent). In Santa Clara, the most common disability is an ambulatory difficulty (3.6 percent) followed by an independent living difficulty (3.3 percent). In the County the same trend follows, the most common disability is those with an independent living difficulty (4.5 percent) followed by an ambulatory difficulty (4.4 percent)

Table 13.3-9: Populations of Persons with Disabilities– Santa Clara County & Santa Clara

	<i>Santa Clara County Percent with a Disability</i>	<i>Santa Clara Percent with a Disability</i>
Civilian non-institutionalized population	8%	7%
Race/ Ethnicity		



SANTA CLARA
HOUSING ELEMENT

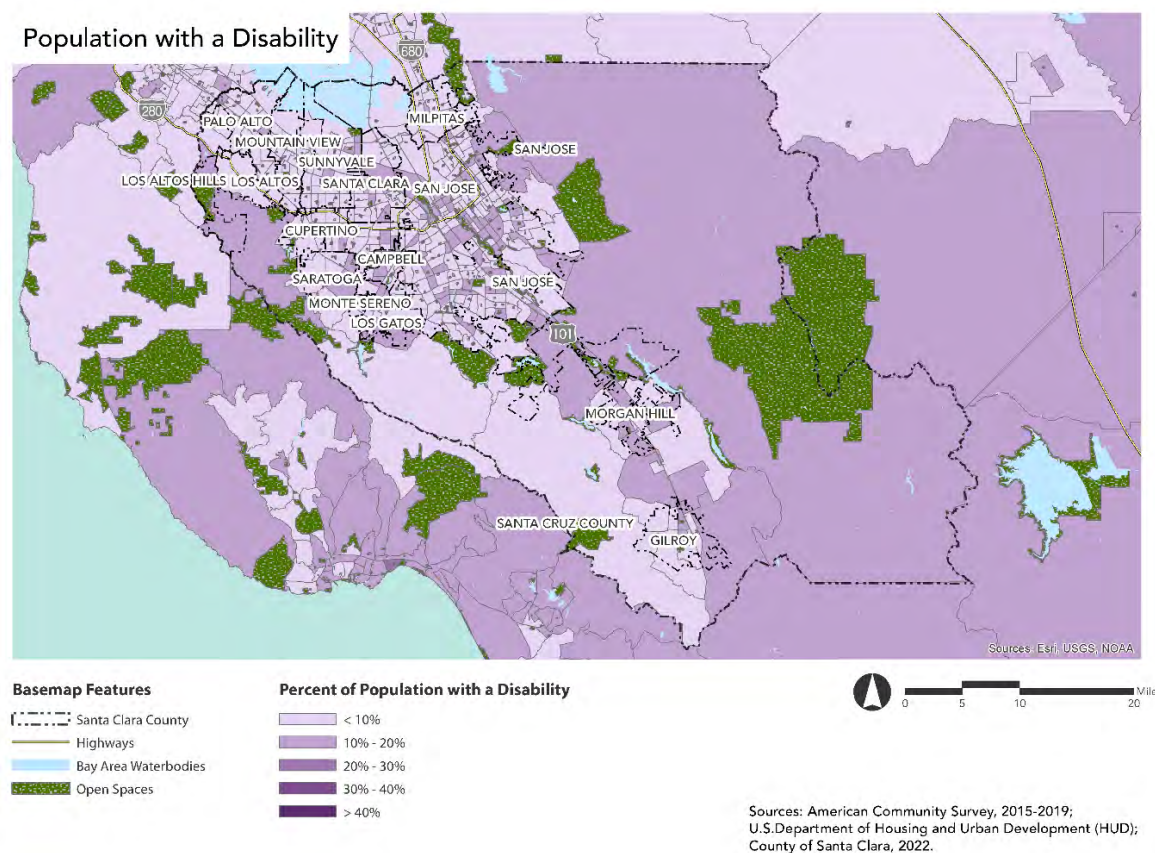
Table 13.3-9: Populations of Persons with Disabilities– Santa Clara County & Santa Clara

	<i>Santa Clara County Percent with a Disability</i>	<i>Santa Clara Percent with a Disability</i>
Black or African American alone	10.7%	7.5%
American Indian and Alaska Native alone	14.4%	2.9%
Asian alone	6.2%	3.8%
Native Hawaiian and Other Pacific Islander alone	9.4%	6.7%
Some other race alone	6.7%	5.4%
Two or more races	7%	6.1%
White alone, not Hispanic or Latino	10.6%	11.4%
Hispanic or Latino (of any race)	7.5%	7.7%
Age		
Under 5 years	0.7%	1.2%
5 to 17 years	3.1%	3.7%
18 to 34 years	3.9%	2.7%
35 to 64 years	6.2%	5.9%
65 to 74 years	18.2%	18.1%
75 years and over	48%	47.1%
Type		
Hearing difficulty	2.3%	2.1%
Vision difficulty	1.4%	1.2%
Cognitive difficulty	3.3%	2.7%
Ambulatory difficulty	4.4%	3.6%
Self-care difficulty	2.1%	1.6%
Independent living difficulty	4.5%	3.3%

Source(s): 2019 ACS 5-year Estimates, Table S1810

In terms of geographic dispersal, there is a patchwork pattern of persons with a disability throughout the County. There does appear to be a concentration of persons with disabilities within San Jose and expanding out to Santa Clara and Campbell. These areas of concentration have percentages of the population experiencing disabilities at 10 to 20 percent. The waterfront cities of Milpitas, Sunnyvale, Mountain View, and Palo Alto appear to have fewer tracts where residents experience disabilities above 10 percent. Nowhere in the County does the percentage of residents experiencing a disability exceed 20 percent.

FIGURE 13.3-5: REGIONAL POPULATIONS OF PERSONS WITH DISABILITIES BY TRACT (2019)



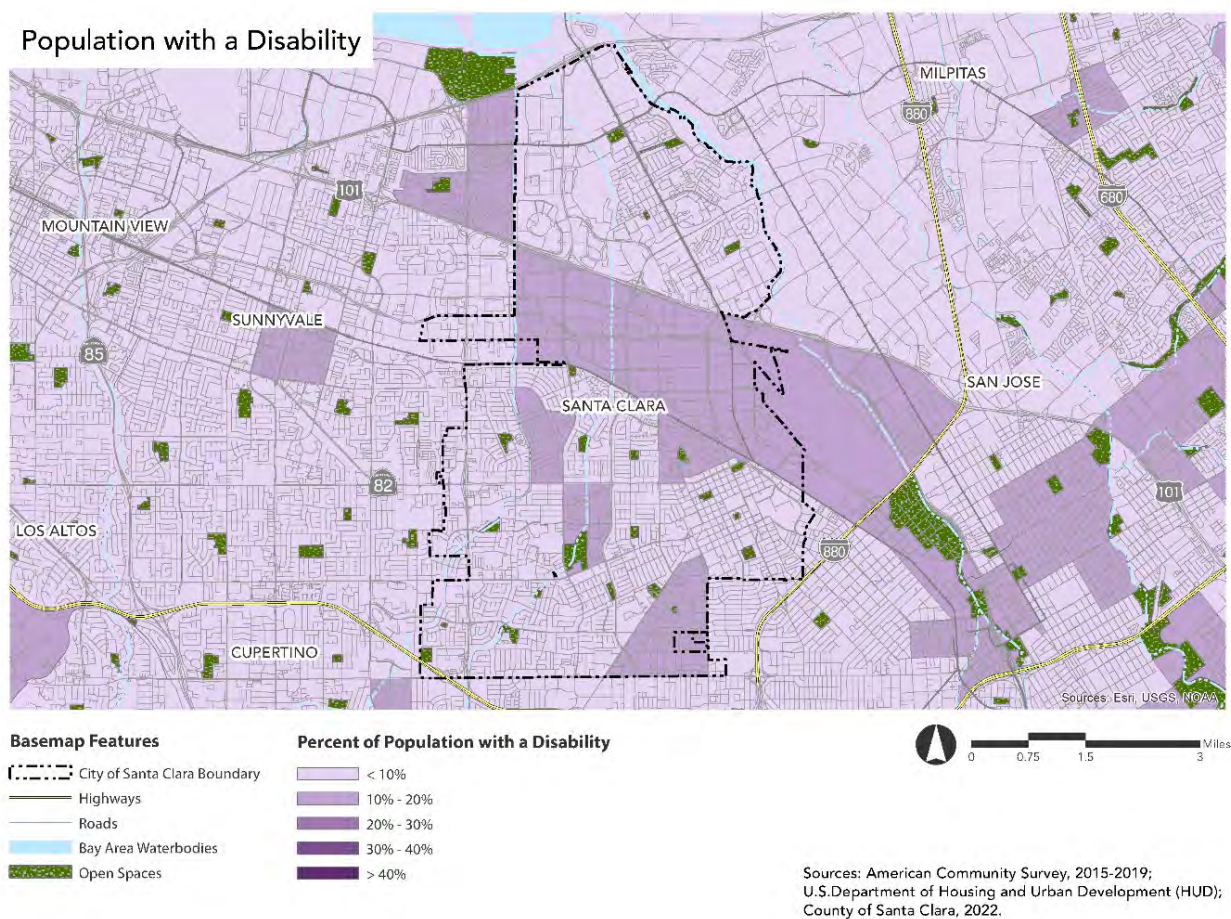
Local Trends

Within Santa Clara there is a concentration of residents with a disability between 10 to 20 percent in the central part of the city. In the northern part of the city fewer than 10 percent of residents experience a disability. In the southern part of the city there are concentrations where the percentage of residents experiencing a disability rises above 10 percent. The higher rates of poverty in central Santa Clara overlap with higher rates of Low to Moderate Income populations (50 to 75 percent) (Figure 13.3-10~~12~~). This low rate of residents with disabilities may be explained in part by the young age of Santa Clara residents. According to 2019 ACS data, only 11.4 percent of residents in Santa Clara are 65 and above while 50 percent of residents are between 15 and 44 years old. Comparing rates to the nearby cities of Mountain View, Sunnyvale, and Milpitas these cities have fewer geographic areas where the population experiencing a disability is between 10 to 20 percent.



SANTA CLARA
HOUSING ELEMENT

FIGURE 13.3-6: PERCENT OF POPULATION WITH A DISABILITY – SANTA CLARA (2021)



The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The tables below show the population in Santa Clara County and Santa Clara with developmental disabilities by age (Table 13.3-10) and the population of adults with developmental disabilities by residence (Table 13.3-11).

Table 13.3-10: Population with Developmental Disabilities by Age

Age Group	Santa Clara County	Santa Clara
<u>Under 18</u>	<u>4,016 (37%)</u>	<u>204 (33%)</u>
<u>18 and Older</u>	<u>6,737 (63%)</u>	<u>408 (67%)</u>
Total	10,753	612

Sources: County-California Department of Developmental Services, Consumer Count by ZIP Code and Age Group (2020), Santa Clara-San Andreas Regional Center (November 2021)

Table 13.3-11: Adults with Developmental Disabilities by Residence

<i>Residence Type</i>	<i>Santa Clara County</i>	<i>Santa Clara</i>
<u>Home of Parent / Family / Guardian</u>	<u>4,362 (65%)</u>	<u>269 (66%)</u>
<u>Community Care Facility</u>	<u>1,525 (23%)</u>	<u>69 (17%)</u>
<u>Independent / Supported Living</u>	<u>756 (11%)</u>	<u>66 (16%)</u>
<u>Other (includes homeless)</u>	<u>94 (1%)</u>	<u>4 (1%)</u>
Total	6,737	408

*Source: County-California Department of Developmental Services, Consumer Count by ZIP Code and Residence Type (2020)
Santa Clara-San Andreas Regional Center (November 2021).*

Approximately 67 percent of Santa Clara's population with developmental disabilities are adults.

Throughout Santa Clara County, according to California Department of Development Services estimates, there has been a 20 percent increase in the adult population with developmental disabilities between 2015-2021. For that same timeframe, the number of Santa Clara County residents with development disabilities age 62 and older grew by 35 percent.

The preferred living option for children with developmental disabilities continues to be the family home, but as those children become adults, additional residential options outside the family home will be required.

In summary, Santa Clara has a slightly lower percentage of persons with disability compared with the County. The racial and ethnic groups with the highest percentage of disability in Santa Clara are white (not Hispanic or Latino) and Hispanic/Latino. There are higher concentrations of persons with disabilities living in Central Santa Clara and selected areas in Southern Santa Clara. There is likely a need to create more supportive and accessible multifamily housing opportunities for this subpopulation as the development of single-story homes is less likely given the limited supply and high cost of land.

Familial Status

Under the Fair Housing Act, housing providers may not discriminate because of familial status. Familial status covers the presence of children under the age of 18, pregnant persons, and any person in the process of securing legal custody of a minor child (including adoptive or foster parents). Examples of familial status discrimination include refusing to rent to families with children, evicting families once a child joins the family (through, e.g., birth, adoption, custody), or requiring families with children to live on specific floors or in specific buildings or areas. Single parent households are also protected by fair housing law.

Families with children often have special housing needs due to lower per capita income, the need for affordable childcare, the need for affordable housing, or the need for larger units with three or more bedrooms. Single parent households are also protected by fair housing law. Female-headed households are of particular consideration as they may experience greater housing



SANTA CLARA HOUSING ELEMENT

affordability challenges due to typically lower household incomes compared to two-parent households. Often, sex and familial status intersect to compound the discrimination faced by single mothers.

Regional Trends

In Santa Clara County, 27 percent of households have children under the age of 18. Within the County, the cities of Sunnyvale, Palo Alto, and San Jose have the highest percentages of households with children (28.6, 27.1, and 26.2 percent, respectively). Across all the cities listed below in Santa Clara County, there are higher percentages of single-parent female households than single-parent male households. Within the County, Palo Alto and San Jose have the highest percentages of single-parent female households (both 3.8 percent). While single-parent male households have a lower percentage overall, the cities of Palo Alto, San Jose, and Santa Clara have the highest percentages of single-parent male households (1.8, 1.2, and 1.2 percent respectively).

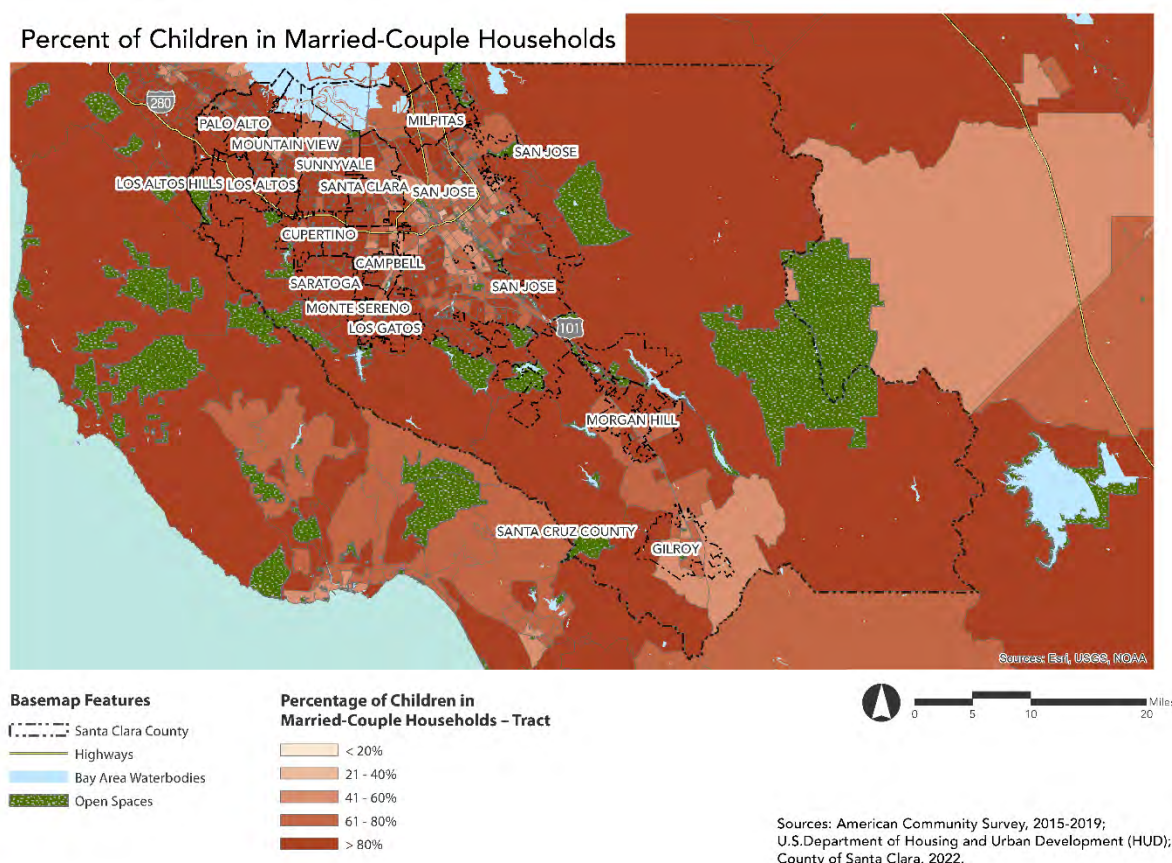
Table 13.3-12: Households with Children in Santa Clara County and Incorporated Cities

	<i>Santa Clara County</i>	<i>Santa Clara</i>	<i>San Jose</i>	<i>Sunnyvale</i>	<i>Palo Alto</i>	<i>Mountain View</i>
Married Couple with Children	27%	26.1%	26.2%	28.6%	27.1%	20.9%
Single-Parent, Male	1.1%	1.2%	1.2%	0.8%	1.8%	0.9%
Single-Parent, Female	3.3%	2.2%	3.8%	1.8%	3.8%	2.7%

Source(s): American Community Survey, 2015-2019 (5-Year Estimates), Table DP02

Figure 13.3-97 visualizes the variety of percentages of children in Santa Clara County living in married-couple households. San Jose has the largest variety with some areas showing below 20 percent of married-couple households with children and other areas showing above 80 percent of married-couple households with children. This lower percentage is concentrated around central San Jose and gets higher as the map moves out. Cities like Palo Alto, Los Altos, Cupertino, and Saratoga along the western part of the County show some of the highest rates of married-couple households with children. Gilroy is another area showing low rates of married-couple households with children (between 21 to 40 percent).

FIGURE 13.3-7: REGIONAL PERCENTAGE OF CHILDREN IN MARRIED-COUPLE HOUSEHOLDS BY TRACTS (2019)



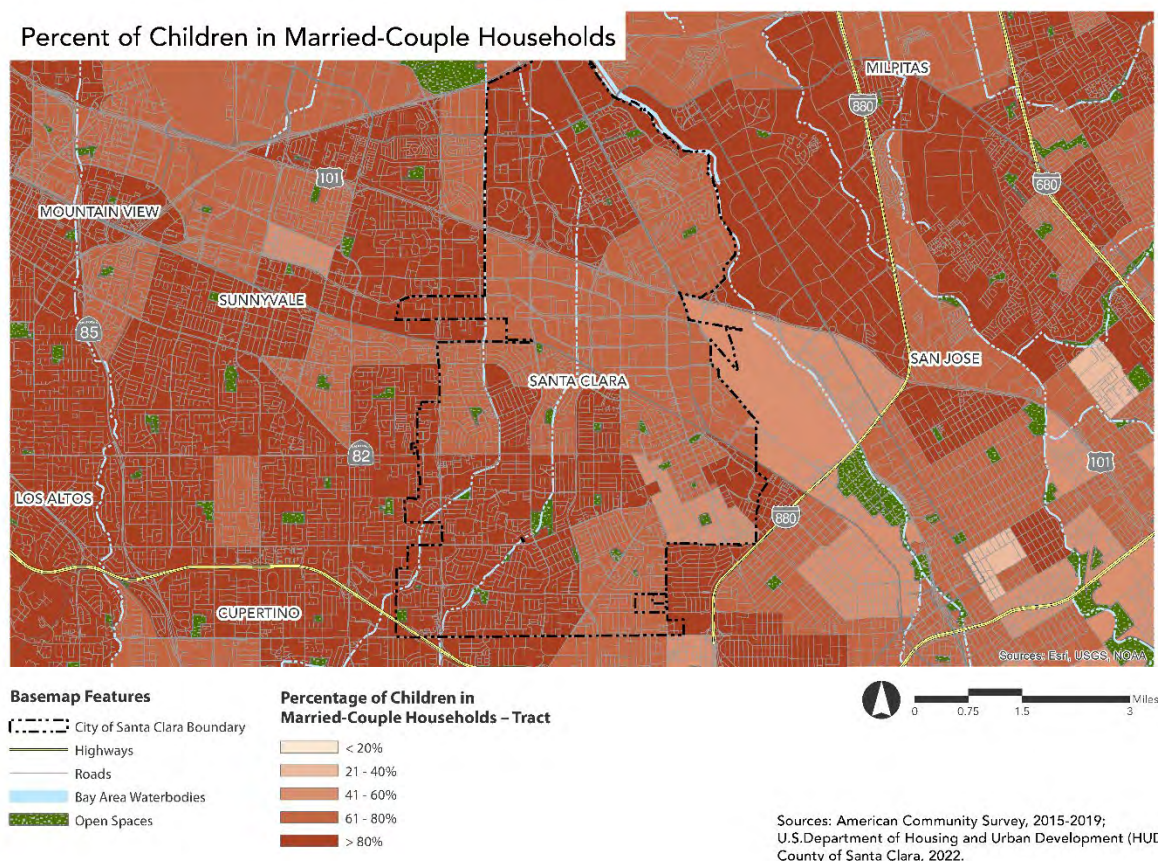
Local Trends

The northern and southern parts of Santa Clara have higher rates of married couple households (between 61 to 80 percent). The central part of Santa Clara has a lower rate of married couple households at 41 to 60 percent. Central Santa Clara also has higher rates of low to moderate income levels (50 to 75 percent), lower incomes (\$87,000) (Figure 13.3-1812) and higher rates of overpayment (40 to 60 percent) (Figure 13.3-34240) which may all be a factor of this lower rate of married couple and likely dual-income households. The nearby cities of Mountain View, Sunnyvale, and Milpitas have similar rates of married couple households.



SANTA CLARA HOUSING ELEMENT

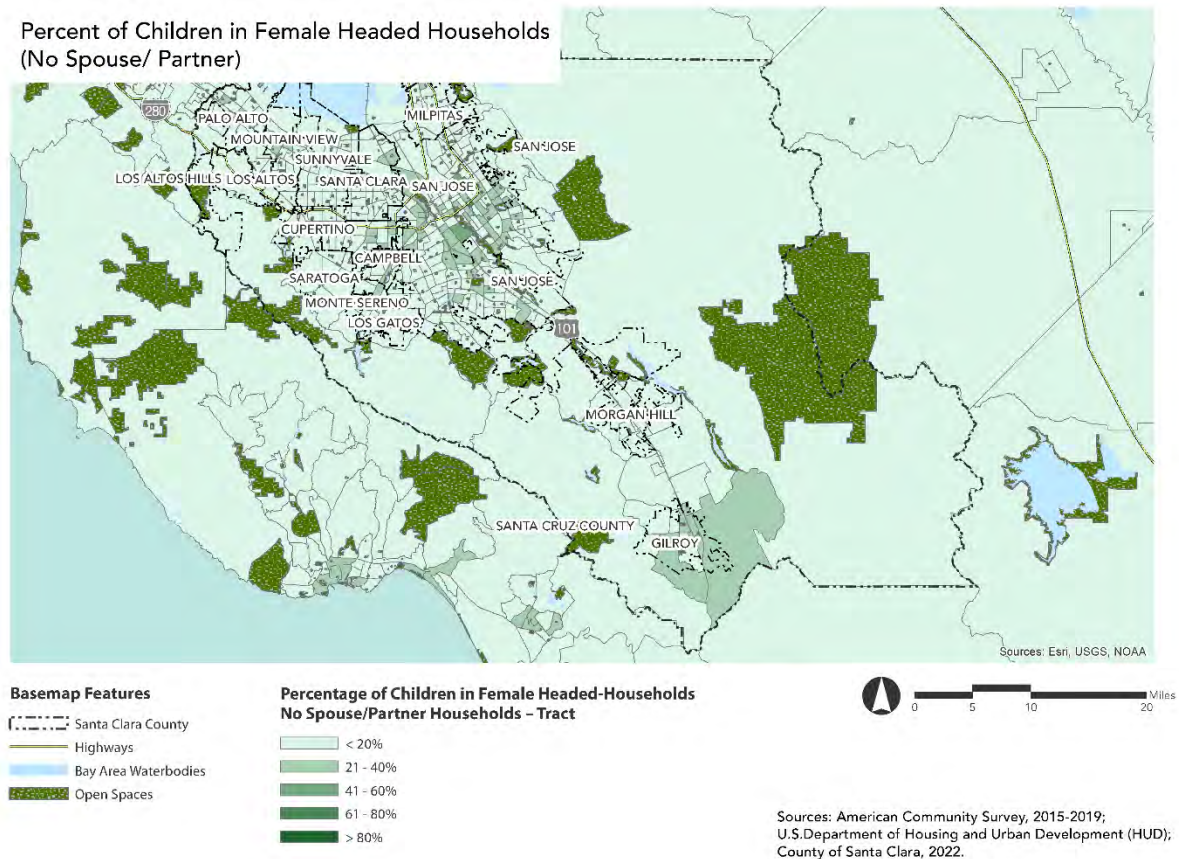
**FIGURE 13.3-8: PERCENT OF CHILDREN IN MARRIED-COUPLE HOUSEHOLDS
– SANTA CLARA (2021)**



Regional Trends

Much of Santa Clara County shows rates of children in female-headed households below 21 to 40 percent. In San Jose there are areas where this percentage rises to 41 to 60 percent. Most cities in the County have some areas where the rate is between 21 to 40 percent, however, some cities along the western part of the County like Los Altos, Cupertino, and Saratoga appear to have rates below 20 percent for the entire city. San Jose, which has the highest concentration of single mother households also has higher rates of non-White populations (61 to 80 percent).

FIGURE 13.3-9: REGIONAL PERCENT OF CHILDREN IN FEMALE-HEADED HOUSEHOLDS BY TRACT (2019)



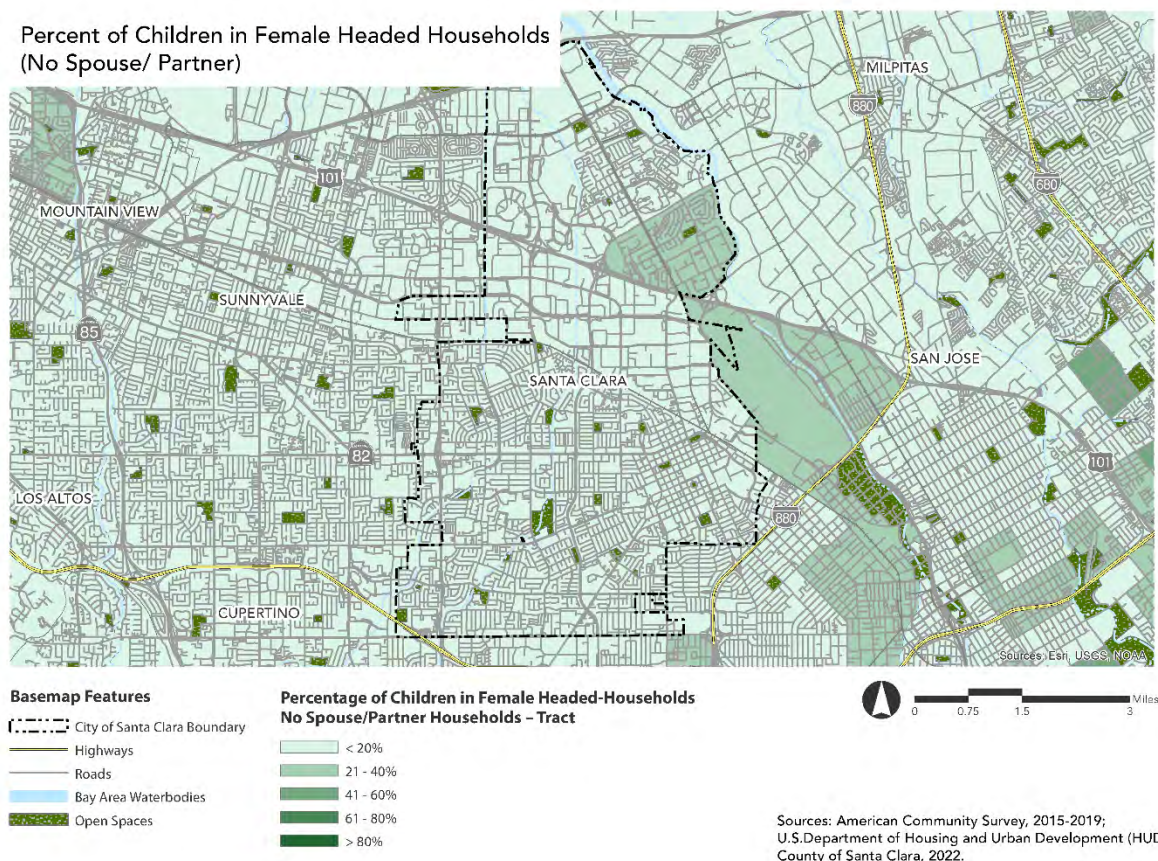
Local Trends

The majority of Santa Clara has below 20 percent of female headed households with children. There is one small section in northeast Santa Clara where this percentage rises to 21 to 40 percent. This area also overlaps with higher rates of HCV use (5 to 15 percent), higher rates of overpayment by renters (40 to 60 percent), and higher rates of household overcrowding (above 15 percent) (Figure 13.3-3740). These trends may be explained in part by the higher rate of female headed households which may only be single income households. The nearby cities of Mountain View and Milpitas have rates below 20 percent for female headed households, and Mountain View has a small section where this rate rises between 21 to 40 percent, similar to Santa Clara.



SANTA CLARA HOUSING ELEMENT

FIGURE 13.3-10: PERCENT OF CHILDREN IN FEMALE HEADED HOUSEHOLDS – SANTA CLARA (2021)



In summary, Santa Clara has a higher percentage of single parent female parent households compared with single parent male households. Most of Santa Clara has rates of female headed households with children that are below 20% which is consistent with the rest of the County. The central portion of the City has lower rates of married couples with children. Single parent households generally have lower income which suggests a need to build a variety of affordable unit sizes for singles, couples, single parents with children, and couples with children.

Income Level

Each year, the HUD receives custom tabulations of American Community Survey (ACS) data from the U.S. Census Bureau. Known as the "CHAS" data (Comprehensive Housing Affordability Strategy), it demonstrates the number of households in need of housing assistance by estimating the number of households that have certain housing problems and have incomes low enough to qualify for HUD's programs (primarily 30, 50, and 80 percent of median income). HUD defines a Low to Moderate Income (LMI) area as a census tract or block group where over 51 percent of the population is LMI (based on HUD income definition of up to 80 percent of the Area Median Income).

Regional Trends

Table 13.3-9-13 lists Santa Clara County households by income category and tenure. Based on the above definition, 33.5 percent of Santa Clara County households are considered LMI, as they earn less than 80 percent of the HUD Area Median Family Income (HAMFI). About 45 percent of all renter households are considered LMI, compared to about 23 percent of owner households. In Santa Clara, about 32 percent of all households are considered LMI. Similar to the County, more renter households in the city are LMI (37.5 percent) than owner households (24 percent). Overall, Santa Clara has a slightly larger percentage of owner and renter households earning above the median area income (60.2 percent) compared to the County (58 percent).

Table 13.3-13: Santa Clara County & Santa Clara Households by Income Category and Tenure

Santa Clara County			
Income Category	Owner	Renter	Total
0%-30% of AMI	7.7%	20.1%	13%
31%-50% of AMI	5.9%	13%	10%
51%-80% of AMI	9.5%	12.4%	10.5%
81%-100% AMI	7.9%	8.9%	8.3%
Greater than 100% of AMI	67.6%	45%	58%
Total	360,660	274,865	635,525
Santa Clara			
Income Category	Owner	Renter	Total
0%-30% of AMI	7.6%	15.6%	12.2%
31%-50% of AMI	8.4%	11.7%	10.3%
51%-80% of AMI	8%	10.2%	9.3%
81%-100% AMI	7.7%	7.9%	7.8%
Greater than 100% of AMI	68%	54%	60.2%
Total	18,930	25,150	44,080

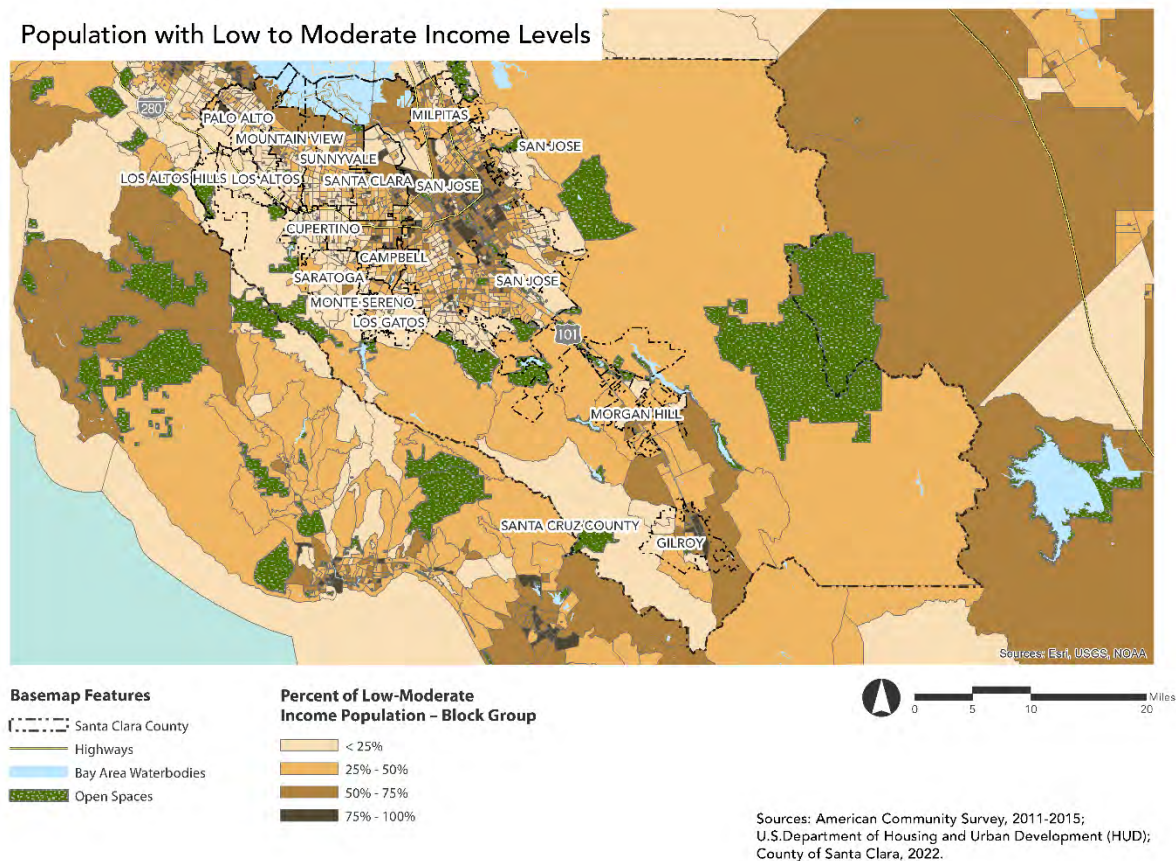
Source(s): HUD CHAS (based on 2014-2018 ACS), 2020.

Figure 13.3-9-12 shows the LMI areas in Santa Clara County by block group. There are drastic geographic differences in the percentage of LMI populations. The largest concentration of LMI populations is in City of San Jose, where the percentage rises to 50 to 75 percent, and 75 to 100 percent. There are also a few concentrations in Palo Alto, Santa Clara, Campbell, and Gilroy where the LMI population is between 75 to 100 percent. In general, the cities to the west and south of San Jose have lower percentages of LMI populations. This higher LMI percentage in San Jose and the western part of the County may be explained in part by the higher percentages of non-White populations in this area, ranging between 61 to 80 percent, as these populations are more likely to be economically disadvantaged and have lower incomes.



SANTA CLARA HOUSING ELEMENT

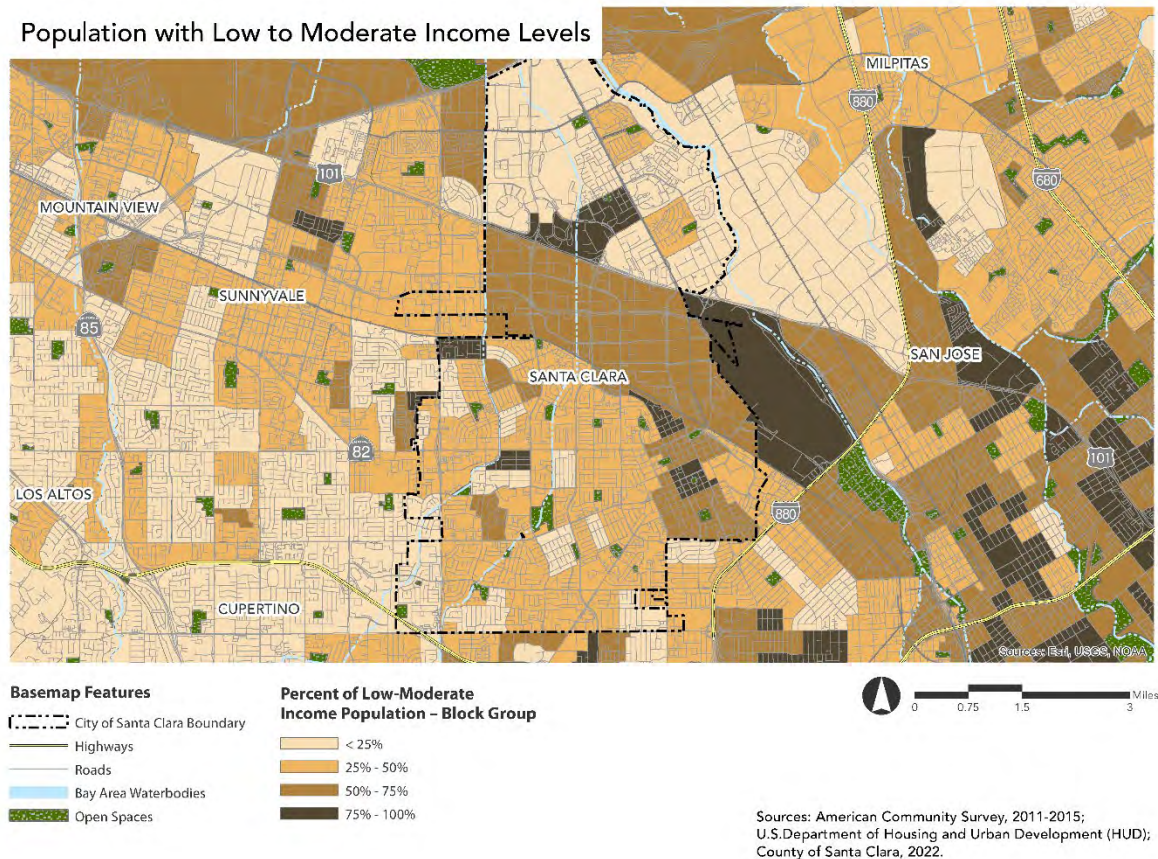
FIGURE 13.3-11: REGIONAL CONCENTRATIONS OF LMI HOUSEHOLDS BY TRACT (2015)



Local Trends

In Santa Clara there are a few concentrations where the LMI populations are between 75 to 100 percent and a large area where the LMI percentage is between 50 to 75 percent. The rest of the city has block groups with LMI populations between 25 to 50 percent and below 25 percent. The largest LMI concentration between 75 to 100 percent is in the northern part of the city, where these block groups overlap with higher percentages of non-White population block groups (61 to 80 percent) and overcrowded households (12 percent). The large area of LMI population between 50 to 75 percent overlaps with block groups that have higher non-White populations (61 to 80 percent), lower median incomes (below \$87,000), and higher rates of overpayment by renters (40 to 60 percent). All three of these factors may provide an explanation for the higher rate of LMI populations in central Santa Clara. Additionally, this area is between Highway 101 and the Union Pacific Railroad and is predominantly industrial, likely contributing to the higher LMI rates. Compared to the nearby cities of Mountain View, Sunnyvale, and Milpitas, Santa Clara has larger geographic areas with higher percentages of LMI populations.

FIGURE 13.3-12: POPULATION WITH LOW TO MODERATE INCOME LEVELS – SANTA CLARA (2021)



Housing Choice Vouchers

Housing Choice Vouchers (HCVs), a form of HUD rental subsidies, are issued to low-income households that promise to pay a certain amount of the household's rent. Prices, or payment standards, are set based on the rent in the metropolitan area, and voucher households must pay any difference between the rent and the voucher amount. Participants of the HCV program are free to choose any rental housing that meets program requirements.

An analysis of the trends in HCV concentration can be useful in examining the success of the program in improving the living conditions and quality of life of its holders. One of the objectives of the HCV program is to encourage participants to avoid high-poverty neighborhoods and encourage the recruitment of landlords with rental properties in low poverty neighborhoods. HCV programs are managed by Public Housing Agencies (PHAs), and the programs assessment structure (SEMAPS) includes an "expanding housing opportunities" indicator that shows whether the PHA has adopted and implemented a written policy to encourage participation by owners of units located outside areas of poverty or minority concentration.



SANTA CLARA HOUSING ELEMENT

A study prepared by HUD's Development Office of Policy Development and Research found a positive association between the HCV share of occupied housing and neighborhood poverty concentration and a negative association between rent and neighborhood poverty¹. This means that HCV use was concentrated in areas of high poverty where rents tend to be lower. In areas where these patterns occur, the program has not succeeded in moving holders out of areas of poverty.

Regional Trends

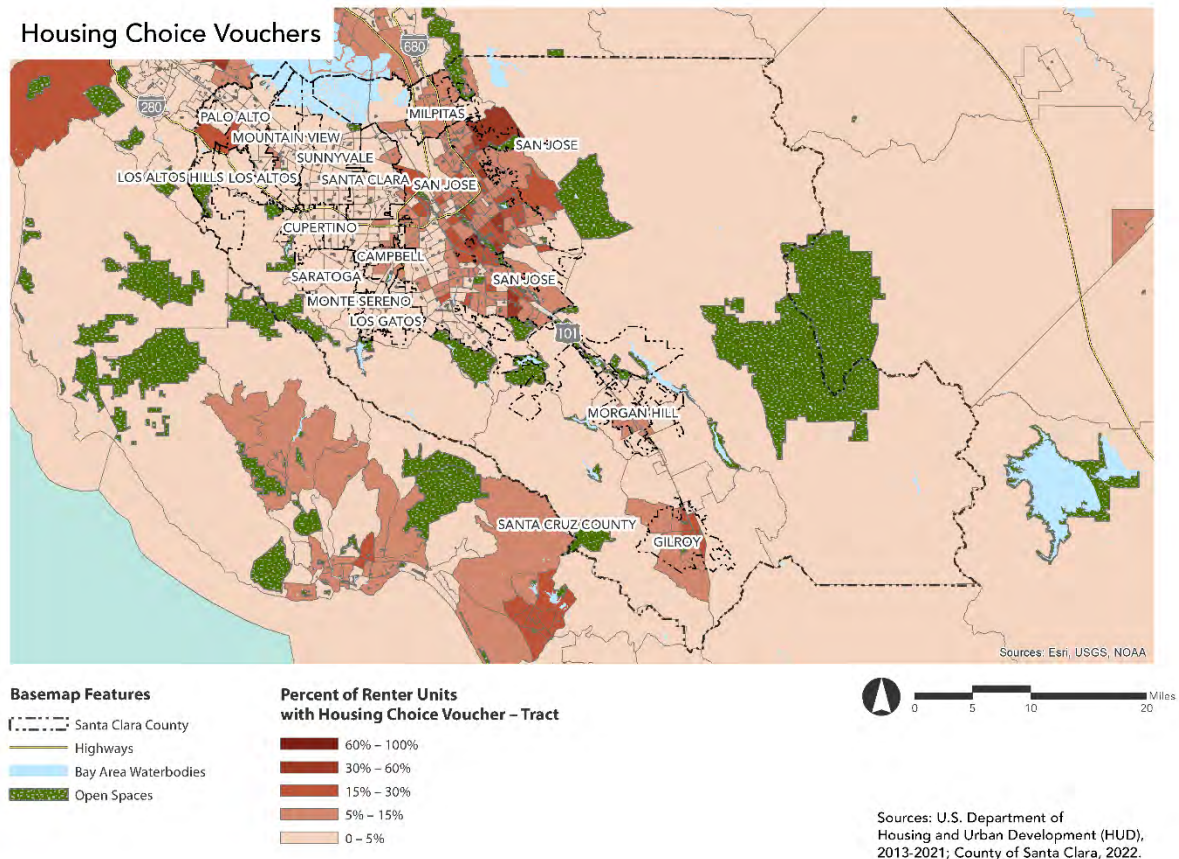
Santa Clara County Housing Authority (SCCHA) provides about 17,000 participants with housing choice vouchers, making it their largest rental assistance program. SCCHA housing choice voucher holders pay 30 percent of their monthly income toward rent. Voucher holders in the "Moving to work" program pay 32 percent of their monthly income towards rent (or a minimum of \$50, whichever is higher). SCCHA pays the balance of the rent to the landlords on behalf of the household.

In the County, the cities of Santa Clara, Cupertino, Mountain View, Palo Alto, and Sunnyvale, the vast majority of Project-Based Section 8 units are 0-1 bedrooms. SCHHA generally has a very long waiting list and the average wait for a household to receive an HCV is between eight to 10 years.

HCV concentration is highest in the eastern part of Santa Clara County in the cities of San Jose, Campbell, and Milpitas. As identified earlier, these areas of the County have higher percentages of non-White populations. HCV use in these areas is between five to 15 percent, 15 to 30 percent, and 30 to 60 percent. Palo Alto, Mountain View, Santa Clara, Morgan Hill, and Gilroy also show lower percentages for HCV use while the rest of the County has rates below five percent.

¹ Devine, D.J., Gray, R.W., Rubin, L., & Taghavi, L.B. (2003). *Housing choice voucher location patterns: Implications for participant and neighborhood welfare*. Prepared for the U.S. Department of Housing and Urban Development, Office of Policy Development and Research, Division of Program Monitoring and Research.

FIGURE 13.3-13: REGIONAL HOUSING HCV CONCENTRATION BY TRACT (2021)



Local Trends

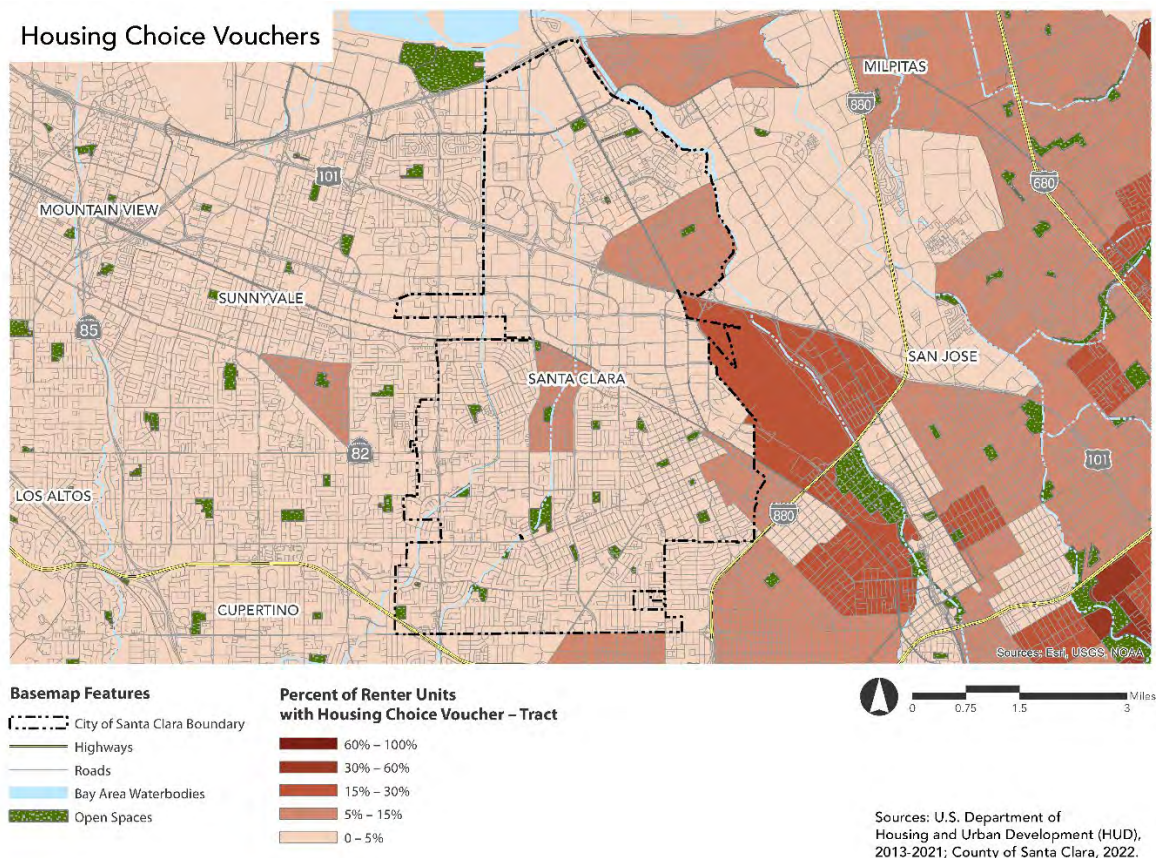
In Santa Clara there are 650 tenant-based vouchers in use and 129 project-based vouchers. There are three concentrations of tracts with HCV use between five to 15 percent while the rest of the City's HCV use is below five percent. There are concentrations of higher HCV use in the northern and southern part of the city. The higher HCV concentration in northern Santa Clara overlaps with the only area in the City with higher rates of female headed households (21 to 40 percent), as well as higher rates of overpayment by renters (40 to 60 percent), and higher rates of overcrowded households (above 15 percent). The areas of higher HCV use in the southern part of the City overlaps with higher rates of LMI households (25 to 50 percent) and higher rates of overpayment by renters (40 to 60 percent).

The northern part of Santa Clara has tracts with median gross rents of \$2,500. The southern part of the City has a mix of rents between \$1,000 and above \$3,000. Central Santa Clara has an average median rent below \$1,000. This area is more affordable than the rest of the city and households in this area have lower median incomes (\$87,000) than the rest of the City. Santa Clara has similar rates of affordability compared to Sunnyvale, Mountain View, and Milpitas.



SANTA CLARA HOUSING ELEMENT

FIGURE 13.3-14: HOUSING CHOICE VOUCHERS – SANTA CLARA (2021)



AFFORDABILITY BY CENSUS TRACT

Regional Trends

Figure 13.3-13-15 shows the Location Affordability Index in Santa Clara County. The index was developed by HUD in collaboration with the Department of Transportation under the federal Partnership for Sustainable Communities. One objective of the partnership is to increase public access to data on housing, transportation, and land use. Before this index was established, there was no standardized national data source on household transportation expenses, which limited the ability of homebuyers and renters to fully account for the cost of living in a particular city or neighborhood.

The prevailing standard of affordability in the United States is paying 30 percent or less of a household's income on housing. However, this prevailing standard fails to account for transportation costs, and transportation costs have grown significantly as a proportion of household income since the standard was established. According to the Bureau of Labor Statistics, in the 1930s, American households spent just eight percent of their income on transportation. Since then, as a substantial proportion of the U.S. population has migrated from center cities to surrounding suburbs and exurbs and has come to rely more heavily (or

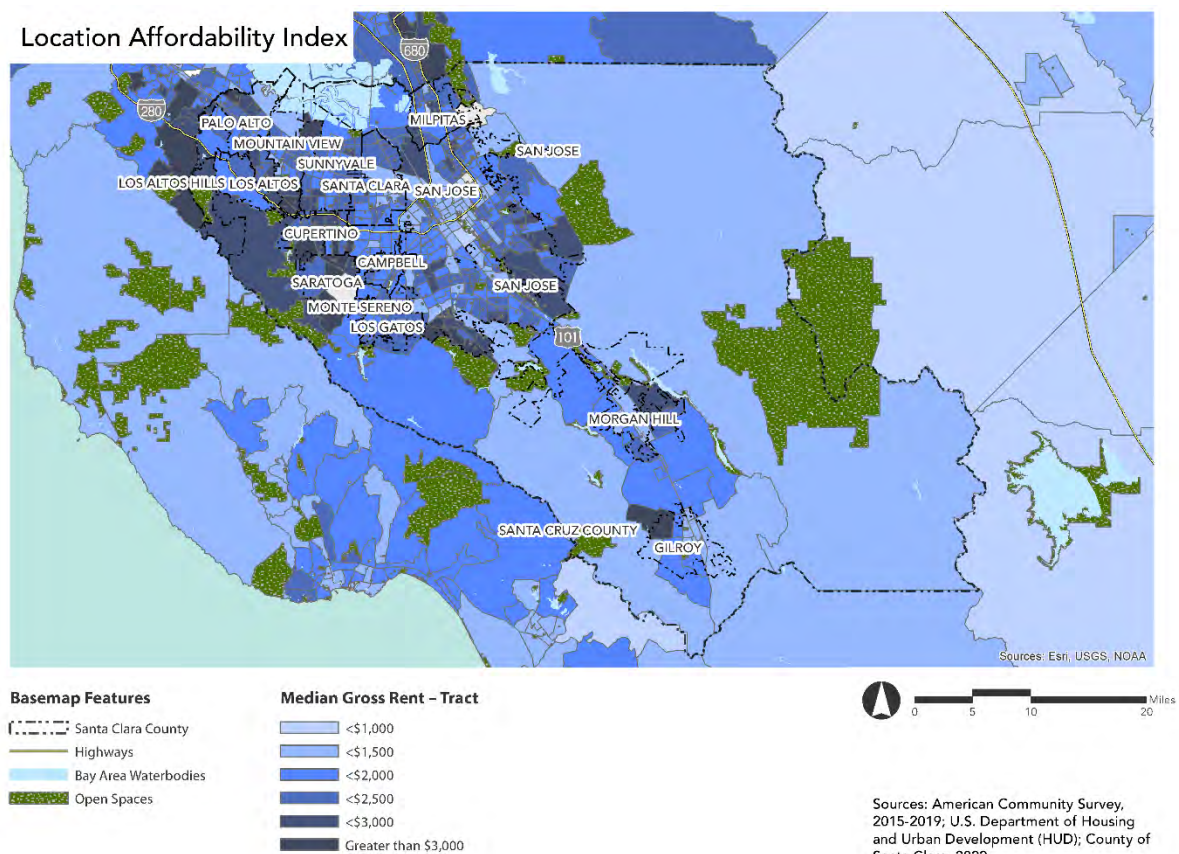
exclusively) on cars, that percentage has steadily increased, peaking at 19.1 percent in 2003. As of 2020, households spent on average about 17.4 percent of their annual income on transportation, second only to housing costs in terms of budget impact.² And for many working-class and rural households, transportation costs exceed housing costs.

In Santa Clara County, there is a mix of median gross rents. San Jose has areas with the lowest rents below \$1,000 and areas with higher rents above \$3,000. Most cities have a mix of rents between \$2,000 to \$3,000 and above. The most affordable tracts are in San Jose while the more expensive tracts are around the perimeter of the County in cities like Palo Alto, Los Altos, Cupertino, Los Gatos, and east San Jose.

Local Trends

Figure 13.3-196 shows that median gross rents are highest in Northern Santa Clara and parts of Southern Santa Clara. The lowest rents are found in and adjacent to Central Santa Clara.

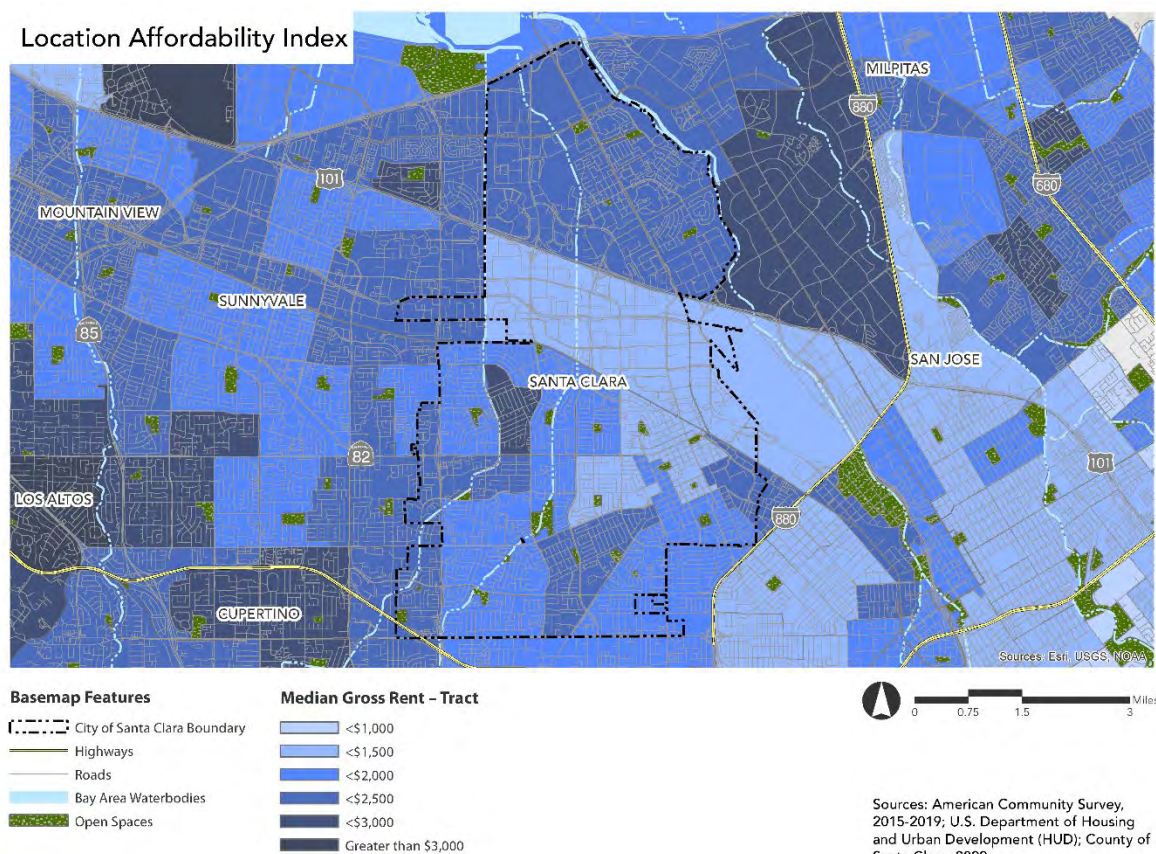
FIGURE 13.3-15: REGIONAL MEDIAN GROSS RENT/ AFFORDABILITY INDEX BY TRACT (2021)



² U.S. Department of Transportation, Bureau of Transportation Statistics, <https://data.bts.gov/stories/s/ida7-k95k>, accessed 4/26/22.



FIGURE 13.3-16: LOCATION AFFORDABILITY INDEX – SANTA CLARA (2021)



Racially and Ethnically Concentrated Areas of Poverty (R/ECAP)

Racially and Ethnically Concentrated Areas of Poverty (R/ECAPs) are geographic areas with significant concentrations of poverty and minority populations. HUD developed a census-tract based definition of R/ECAP that relies on a racial and ethnic concentration threshold and a poverty test. The threshold states that an area with a non-White population of 50 percent or more would be identified as a R/ECAP; the poverty test defines areas of extreme poverty as areas where 40 percent or more of the population live below the federal poverty line or where the poverty rate is three times the average poverty rate for the metropolitan area (whichever is lower). Thus, an area that meets either the racial or ethnic concentration, and the poverty test would be classified as a R/ECAP. Identifying R/ECAPS facilitates an understanding of entrenched patterns of segregation and poverty due to the legacy effects of historically racist and discriminatory housing laws.

In Santa Clara County the only areas that meet the official definition of a R/ECAP are within San Jose and Gilroy.

Local Trends

There are no R/ECAP areas in Santa Clara nor in the nearby cities of Mountain View or Sunnyvale.

FIGURE 13.3-17: REGIONAL RACIALLY AND ETHNICALLY CONCENTRATED AREAS OF POVERTY “R/ECAPS” (2021)

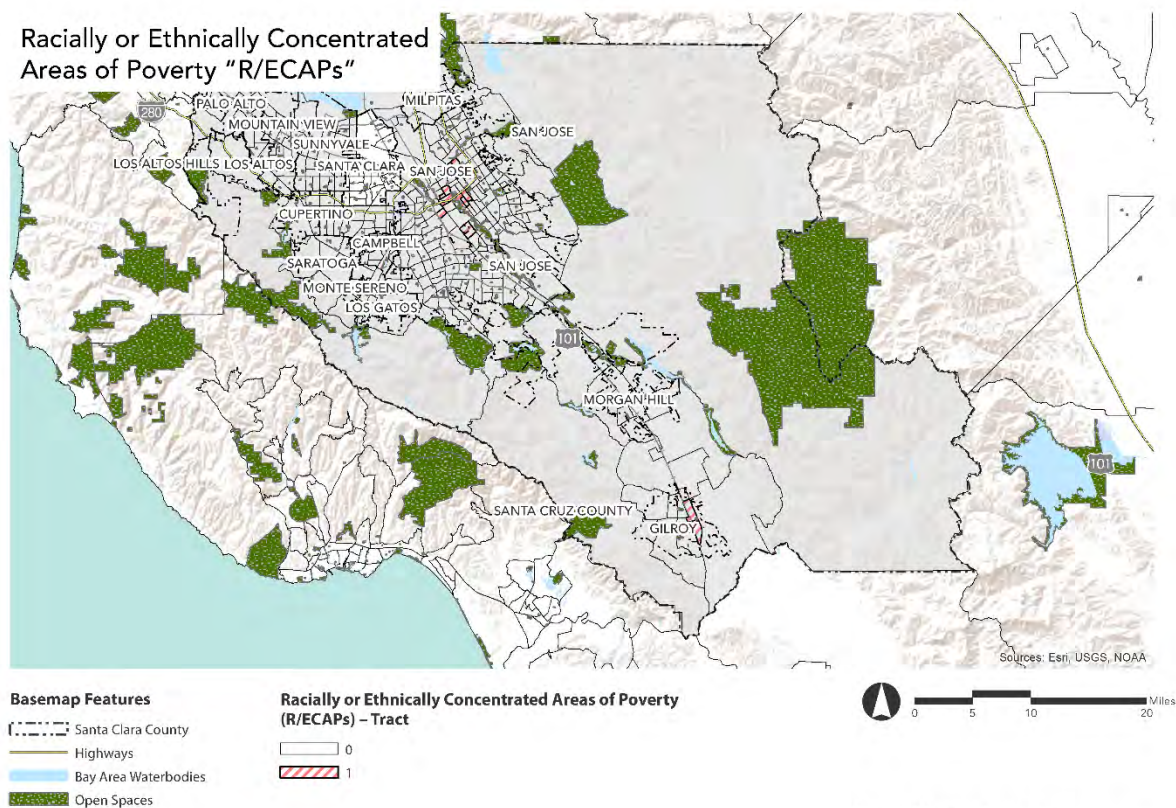




FIGURE 13.3-18: RACIALLY OR ETHNICALLY CONCENTRATED AREAS OF POVERTY “R/ECAPS” – SANTA CLARA (2021)



Racially Concentrated Areas of Affluence (RCAAs)

Racially Concentrated Areas of Affluence (RCAAs) are defined by the HUD as communities with a large proportion of affluent and non-Hispanic White residents. According to a policy paper published by the HUD, non-Hispanic Whites are the most racially segregated group in the United States. In the same way neighborhood disadvantage is associated with concentrated poverty and high concentrations of people of color, distinct advantages are associated with residence in affluent, White communities. RCAAs are currently not available for mapping on the AFFH Data Viewer. As such, an alternate definition of RCAA from the University of Minnesota Humphrey School of Public Affairs is used in this analysis. RCAAs are defined as census tracts where (1) 80 percent or more of the population is white, and (2) the median household income is \$125,000 or greater (slightly more than double the national median household income in 2016).

Regional Trends

Comparing Figure 13.3-1 and Figure 13.3-18,19 there are multiple areas where high White populations overlap with median incomes above \$125,000. These areas are mostly located along

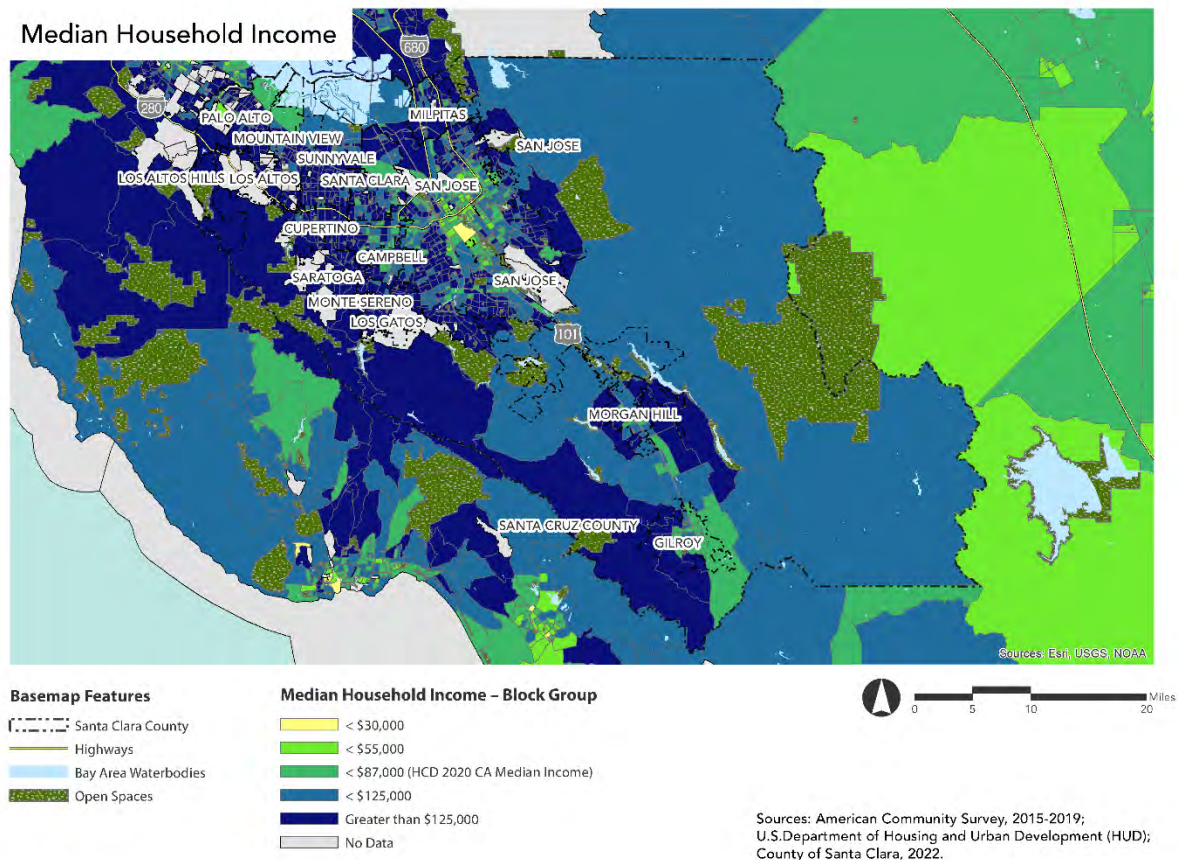
the eastern edge of the County. However, only one community qualifies as an RCAA. The unincorporated area called Lexington Hills located along the western edge of the County has a White population of 87.4 percent and a median household income of \$166,932, meeting the alternate definition of a RCAA. This unincorporated area of 4.7 square miles is home to approximately 2,500 residents.

Table 13.3-14: White Population and Median Household Income of RCAAs in Santa Clara County

City	White Population	Median Household Income (2019)
Lexington Hills	87.4%	\$166,932

Source(s): DataUSA.io (2019)

FIGURE 13.3-19: REGIONAL MEDIAN INCOME BY BLOCK GROUP (2021)



Local Trends

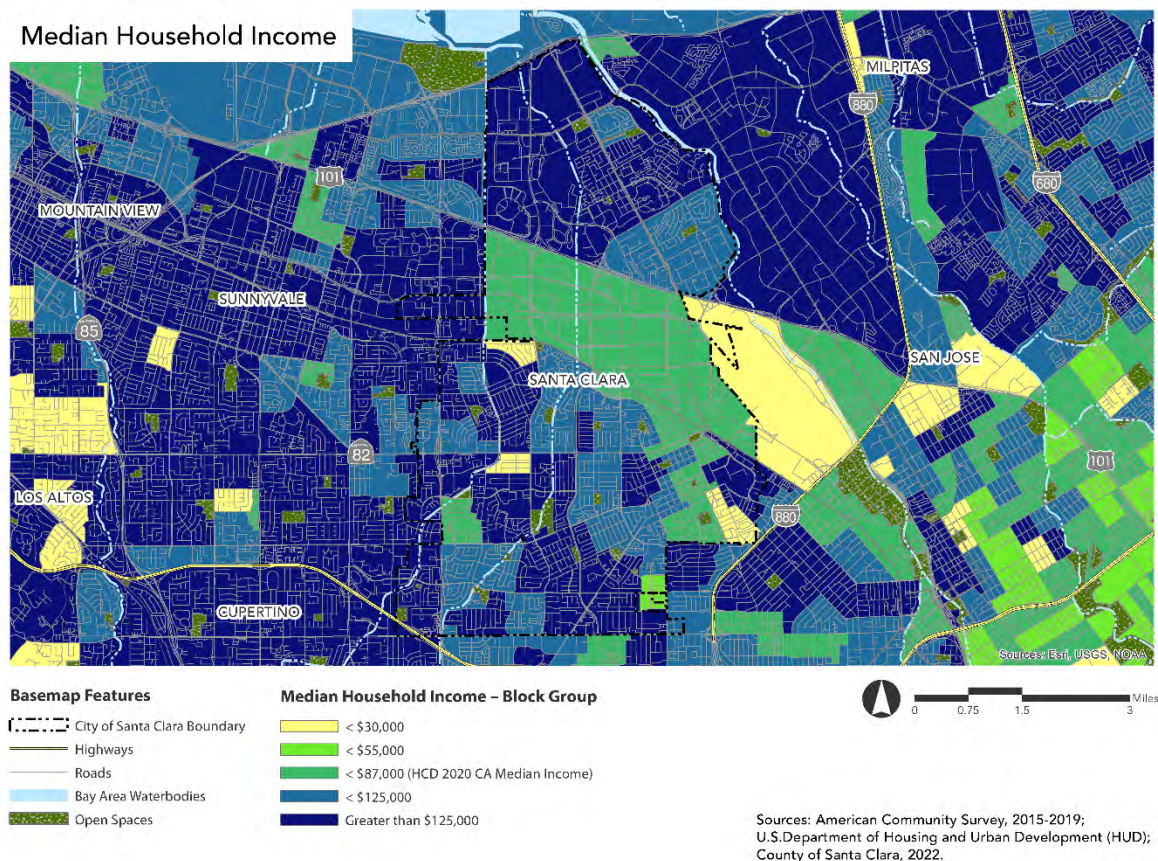
The northern part of Santa Clara has block groups that have households with a median income of \$125,000 and above. The southern part of the city has a smaller section of median household incomes at \$30,000, while most areas have incomes at \$125,000 and above. Notably, Central Santa



SANTA CLARA HOUSING ELEMENT

Clara has median household incomes at \$87,000 which is lower than the rest of the city, but is the 2020 median income for California. The central part of Santa Clara also overlaps with higher rates of non-White populations, higher rates of residents with disabilities, and higher rates of overpayment for rent, all of which likely contribute to lower median incomes for households in this area. Mountain View, Sunnyvale, and Milpitas all have larger areas with higher household incomes and only a few small concentrations with lower median incomes.

FIGURE 13.3-20: MEDIAN INCOME – SANTA CLARA (2021)



In summary, Santa Clara has a lower percentage of low and moderate income (LMI) residents compared to the County, but there are several census blocks with higher concentrations of low income residents. These areas are located within or adjacent to Central Santa Clara. These small pockets of lower income residents suggest a need for proactive outreach to connect residents with new affordable housing opportunities as well as education about City services such as landlord tenant rights according to state laws as well as mediation services, home repair, and proactive code enforcement. Such outreach, education, and services could help increase mobility and improve living conditions in these areas.

Analysis above indicates that residents in Central Santa Clara include Asian/Pacific Islander, White, and Hispanic/Latino residents who are disproportionately overrepresented in this area. Proactive outreach in Central Santa Clara should be conducted in English, Spanish and other relevant languages to provide greater access to city programs and affordable housing opportunities throughout the City, which are disproportionately represented. Outreach in Central Santa Clara would benefit from

Access to Opportunities

Access to opportunity is a concept to approximate the link between place-based characteristics (e.g., education, employment, safety, and the environment) and critical life outcomes (e.g., health, wealth, and life expectancy). Ensuring access to opportunity means both improving the quality of life for residents of low-income communities, as well as supporting residents' mobility and access to 'high resource' neighborhoods.

TCAC Opportunity Maps

TCAC Maps are opportunity maps created by the California Fair Housing Task Force (a convening of the Department of Housing and Community Development (HCD) and the California Tax Credit Allocation Committee (TCAC)) to provide research and evidence-based policy recommendations to further HCD's fair housing goals of (1) avoiding further segregation and concentration of poverty and (2) encouraging access to opportunity through land use policy and affordable housing, program design, and implementation. These opportunity maps identify census tracts with highest to lowest resources, segregation, and poverty, which in turn inform the TCAC to distribute funding more equitably for affordable housing in areas with the highest opportunity through the Low-Income Housing Tax Credit (LIHTC) Program.

TCAC Opportunity Maps display areas by highest to lowest resources by assigning scores between 0–1 for each domain by census tracts where higher scores indicate higher "access" to the domain or higher "outcomes." Refer to Table 13.3-14-15 for a list of domains and indicators for opportunity maps. Composite scores are a combination score of the three domains that do not have a numerical value but rather rank census tracts by the level of resources (low, moderate, high, highest, and high poverty and segregation). The opportunity maps also include a measure or "filter" to identify areas with poverty and racial segregation. The criteria for these filters were:

- Poverty: Tracts with at least 30 percent of population under the federal poverty line;
- Racial Segregation: Tracts with location quotient higher than 1.25 for Blacks, Hispanics, Asians, or all people of color in comparison to the County



Table 13.3-15: Domains and List of Indicators for Opportunity Maps

<i>Domain</i>	<i>Indicator</i>
Economic	Poverty Adult Education Employment Job Proximity Median home value
Environmental	CalEnviroScreen 4.0 pollution Indicators and values
Education	Math proficiency Reading proficiency High School graduation rates Student poverty rates

Source(s): California Fair Housing Task Force, Methodology for the 2021 TCAC/ HCD Opportunity Maps, December 2020

High resource areas have high index scores for a variety of opportunity indicators such as high employment rates, low poverty rates, proximity to jobs, high educational proficiency, and limited exposure to environmental health hazards. High resource tracts are areas that offer low-income residents the best chance of a high quality of life, whether through economic advancement, high educational attainment, or clean environmental health. Moderate resource areas have access to many of the same resources as the high resource areas but may have fewer job opportunities, lower performing schools, lower median home values, or other factors that lower their indexes across the various economic, educational, and environmental indicators. Low resource areas are characterized as having fewer opportunities for employment and education, or a lower index for other economic, environmental, and educational indicators. These areas have greater quality of life needs and should be prioritized for future investment to improve opportunities for current and future residents.

Information from opportunity mapping can help highlight the need for housing element policies and programs that would help to remediate conditions in low resource areas or areas of high segregation and poverty, and to encourage better access for low and moderate income, and black, indigenous, and people of color (BIPOC) households to housing in high resource areas.

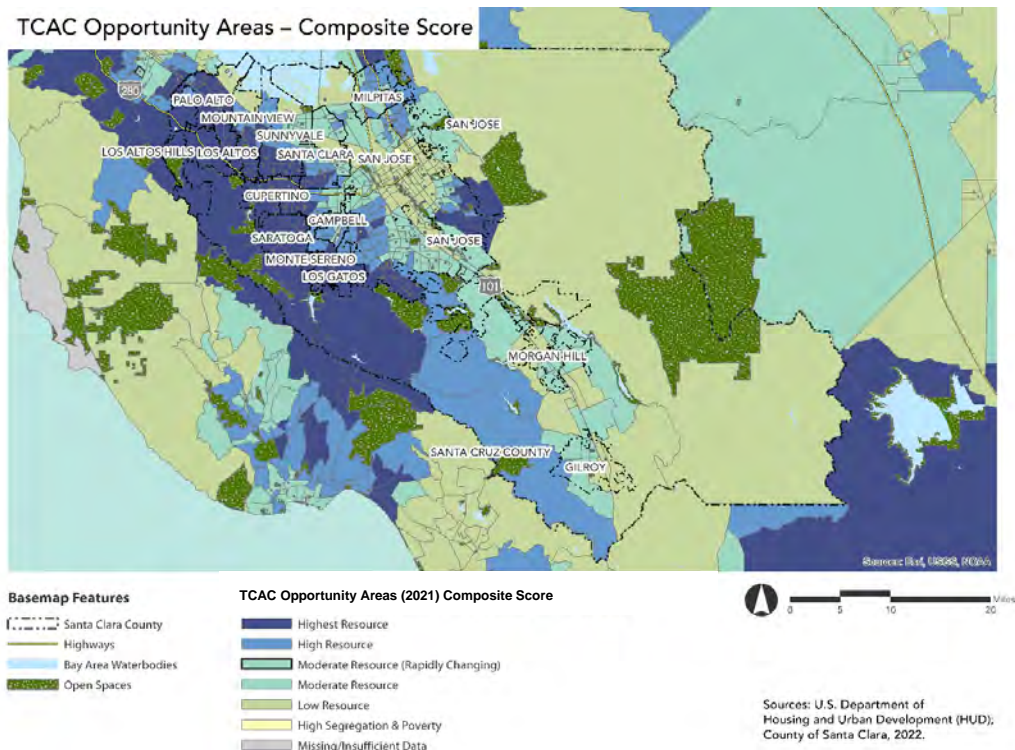
Regional Trends

Figure 13.3-20-21 provides a visual representation of TCAC Opportunity Areas in Santa Clara County based on a composite score, where each tract is categorized based on percentile rankings of the level of resources within the region. The western part of the County has cities with the highest resources such as Palo Alto, Cupertino, Saratoga, Monte Sereno, and Los Gatos. The central part of the County has a mix of resource scores of high, moderate, and low with the largest low resource areas in San Jose and Morgan Hill. The eastern part of San Jose has areas with both the lowest and highest resource scores.

Local Trends

Santa Clara has a mix of resource scores. The northern part of the city has moderate and high resources, the central part of the city has low resources, and the southern part of the city has a mix of low, moderate, high, and highest resources. The areas with low resources also overlap with higher CalEnviroScreen Scores (50 to 74 percent) (Figure 13.3-396), lower Healthy Places Index Scores (50 to 75) (Figure 13.3-4138), higher rates of LMI households (50 to 75 percent) and areas with higher non-White populations (61 to 80 percent). The new TCAC opportunity area map below (Figure 13.3-23) shows a shift in resources in certain areas of the City. North of highway 101 and the San Tomas Freeway the northern part of the City which was previously moderate resource is now high resource. Since the advent of City Specific Plans, we see a trajectory towards higher resource areas with greater investment increasing amenities for neighborhoods. Figure 13.3-263 shows that the City's site inventory (purple shapes) are generally dispersed from existing subsidized housing (red dots).

FIGURE 13.3-21: REGIONAL TCAC COMPOSITE SCORES BY TRACT (2021)





SANTA CLARA HOUSING ELEMENT

FIGURE 13.3-22: TCAC OPPORTUNITY AREAS – COMPOSITE SCORE – SANTA CLARA (2021)

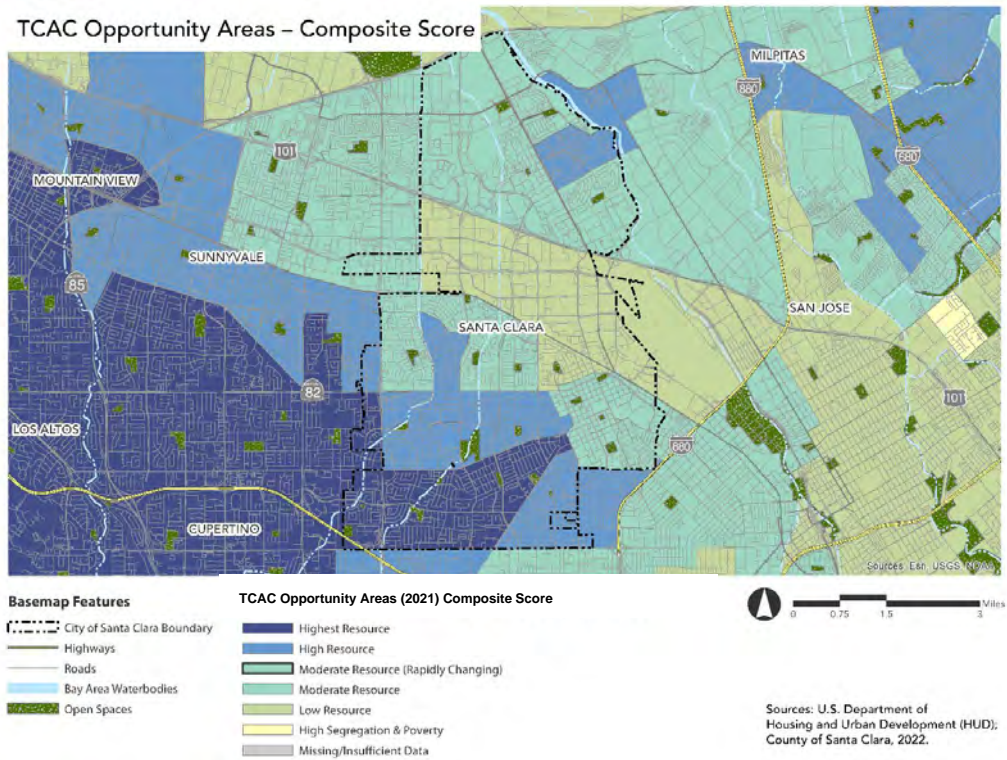
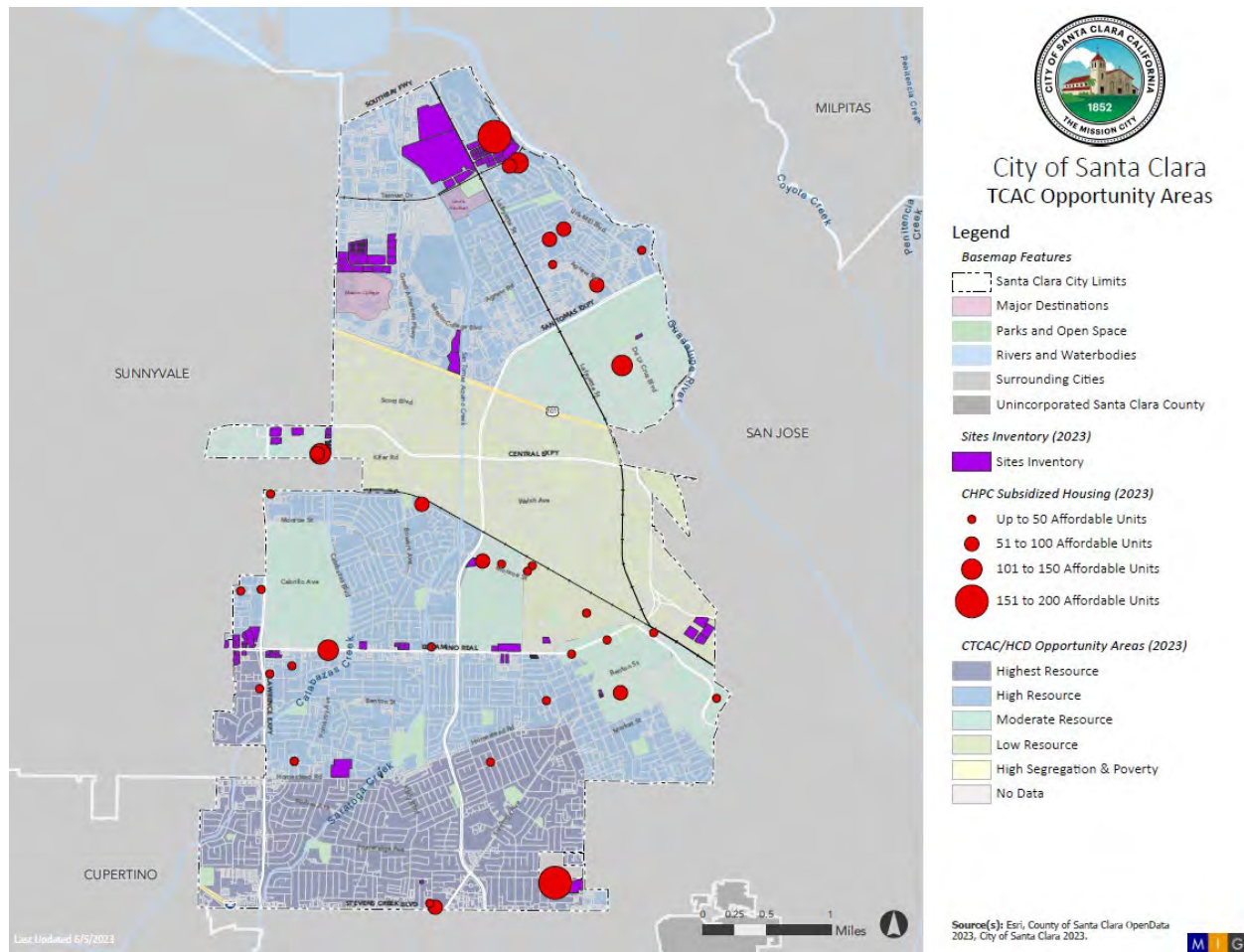


FIGURE 13.3-23: SITES INVENTORY, EXISTING AFFORDABLE HOUSING, AND TCAC OPPORTUNITY AREAS – COMPOSITE SCORE – SANTA CLARA (2023)



Opportunity Indices

This section presents the HUD-developed index scores based on nationally available data sources to assess residents' access to key opportunity assets in comparison to the County. Table 13.3-12 16 provides index scores or values (the values range from 0 to 100) for the following opportunity indicator indices:

- School Proficiency Index:** The school proficiency index uses school-level data on the performance of 4th grade students on state exams to describe which neighborhoods have high-performing elementary schools nearby and which are near lower performing elementary schools. The higher the index value, the higher the school system quality is in a neighborhood.
- Labor Market Engagement Index:** The labor market engagement index provides a summary description of the relative intensity of labor market engagement and human capital in a neighborhood. This is based upon the level of employment, labor force



SANTA CLARA HOUSING ELEMENT

participation, and educational attainment in a census tract. The higher the index value, the higher the labor force participation and human capital in a neighborhood.

- **Transit Trips Index:** This index is based on estimates of transit trips taken by a family that meets the following description: a 3-person single-parent family with income at 50 percent of the median income for renters for the region (i.e., the Core-Based Statistical Area (CBSA)). The higher the transit trips index value, the more likely residents in that neighborhood utilize public transit.
- **Low Transportation Cost Index:** This index is based on estimates of transportation costs for a family that meets the following description: a 3-person single-parent family with income at 50 percent of the median income for renters for the region/CBSA. The higher the index value, the lower the cost of transportation in that neighborhood.
- **Jobs Proximity Index:** The jobs proximity index quantifies the accessibility of a given residential neighborhood as a function of its distance to all job locations within a region/CBSA, with larger employment centers weighted more heavily. The higher the index value, the better the access to employment opportunities for residents in a neighborhood.
- **Environmental Health Index:** The environmental health index summarizes potential exposure to harmful toxins at a neighborhood level. The higher the index value, the less exposure to toxins harmful to human health. Therefore, the higher the index value, the better the environmental quality of a neighborhood (where a neighborhood is a census block-group).

Table 13.3-16: Opportunity Indices by Race/ Ethnicity – Santa Clara County

	<i>School Proficiency Index</i>	<i>Labor Market Index</i>	<i>Transit Trip Index</i>	<i>Low Transportation Cost Index</i>	<i>Jobs Proximity Index</i>	<i>Environmental Health Index</i>
Santa Clara County						
Total Population						
White, Non-Hispanic	81.85	82.15	68.07	91.22	52.75	58.84
Black, Non-Hispanic	74.05	74.24	73.41	93.10	57.03	53.45
Hispanic	58.86	61.91	64.53	91.30	43.19	54.62
Asian or Pacific Islander, Non-Hispanic	85.32	83.26	71.35	91.36	51.68	61.59
Native American, Non-Hispanic	69.43	68.36	67.23	91.76	50.57	56.68
Population Below Federal Poverty Line						
White, Non-Hispanic	77.47	79.47	70	92.22	52.67	56.88
Black, Non-Hispanic	55.29	63.66	64.3	90.61	41	59.89
Hispanic	50.56	54.77	64.34	92.15	43.58	53.07
Asian or Pacific Islander, Non-Hispanic	72.77	73.73	67.96	91.39	52.68	57.31
Native American, Non-Hispanic	75.1	75.82	76.71	94.47	72.22	63.36

Note: American Community Survey Data are based on a sample and are subject to sampling variability. See page 31 for index score meanings.

Source(s): AFFHT Data Table 13.3-1572; Data Sources: Decennial Census; ACS; Great Schools; Common Core of Data; SABINS; LAI; LEHD; NATA

Education

Housing and school policies are mutually reinforcing, which is why it is important to analyze access to educational opportunities when assessing fair housing. At the most general level, school districts with the greatest amount of affordable housing tend to attract larger numbers of LMI families (largely composed of minorities). As test scores are a reflection of student demographics,



SANTA CLARA HOUSING ELEMENT

where Black/Hispanic/Latino students routinely score lower than their White peers, less diverse schools with higher test scores tend to attract higher income families to the school district. This is a fair housing issue because as higher income families move to the area, the overall cost of housing rises and an exclusionary feedback loop is created, leading to increased racial and economic segregation across districts as well as decreased access to high-performing schools for non-White students.

Regional Trends

The 2021 TCAC Opportunity Areas Education Composite Score for a census tract is based on math and reading proficiency, high school graduation rate, and student poverty rate indicators. The score is broken up by quartiles, with the highest quartile indicating more positive education outcomes and the lowest quartile signifying fewer positive outcomes.

Santa Clara County has 28 school districts. As of 2020, throughout the County there were 255 elementary schools, 61 middle schools, 55 high schools, 11 continuing education schools, 10 alternative schools, five junior high schools, four K-12 schools, two community day schools, and one special education school.³ The map below shows the TCAC education score for the County with the central and southern parts of the County including San Jose, Morgan Hill, and Gilroy showing scores between 0.25 - 0.50 which are less positive education scores. The cities on the western side of the County and Milpitas have scores above 0.75 which is the more positive education outcome score. The areas with lower scores correspond to areas with higher non-White populations and the areas with higher scores correspond to areas with lower non-White populations. Table 13.3-~~12~~-17 indicates that index values for school proficiency are higher for White residents, indicating a greater access to high quality schools. For populations below the federal poverty line, index values for school proficiency are highest among White, Native American (Non-Hispanic), and Asian or Pacific Islander (Non-Hispanic).

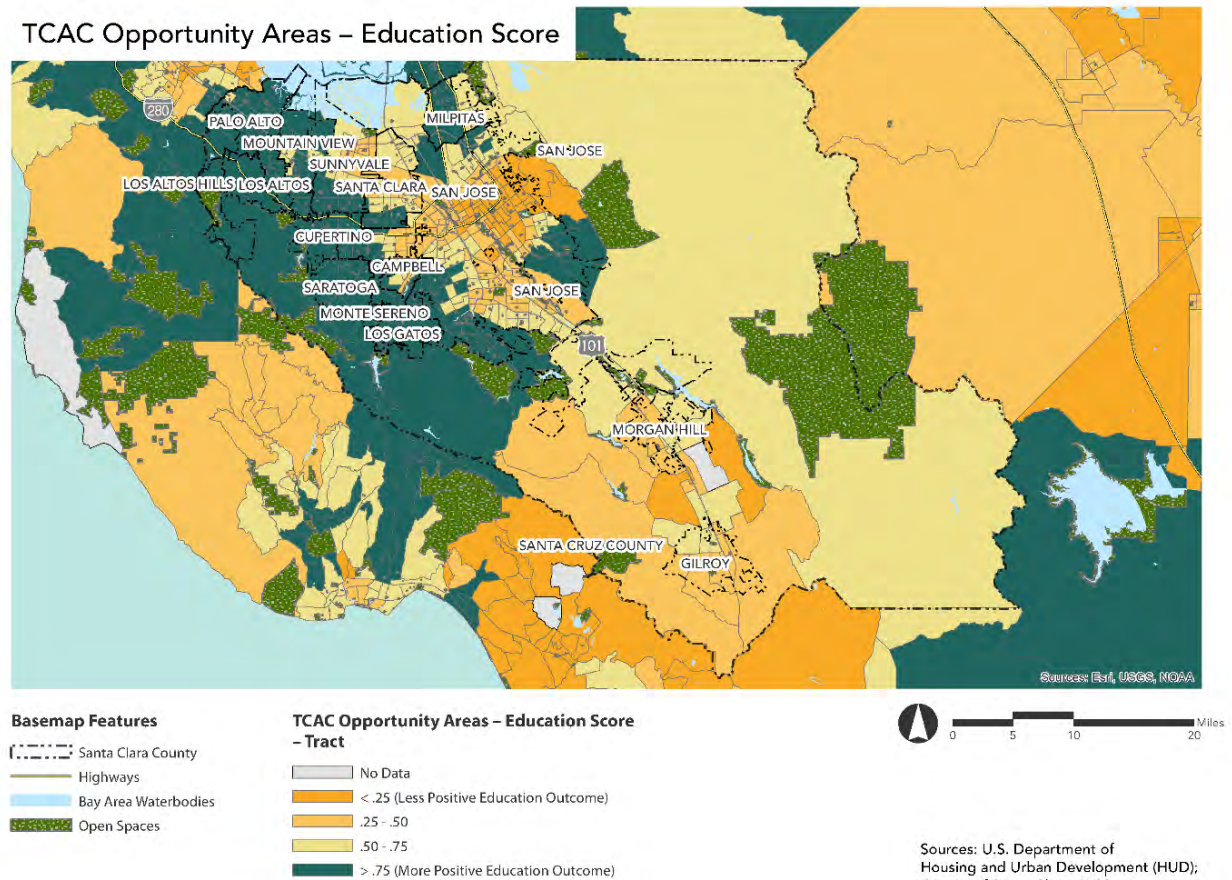
Local Trends

The northern part of Santa Clara has a TCAC education score of 0.50 to 0.75 which trend toward the more positive educational outcome score. The central part of Santa Clara has a score of between 0.25 to 0.50 which trends toward the less positive educational outcome score (note there are no public schools located in the central part of the City). The southern part of Santa Clara has a mix of scores between 0.25 to 0.50, 0.50 to 0.75 and above 0.75. The nearby cities of Mountain View and Milpitas mostly have TCAC education scores above 0.75 while the city of Sunnyvale has a mix of scores similar to Santa Clara.

³ Ed-data.org

According to the National Center for Education data from 2021, there were 23 public schools in Santa Clara (Figure 13.3-24²⁶). These public school rankings reflect the TCAC Education scores with schools in the northern ~~and central~~ part of the city receiving scores below the top 30 percent and schools in the southern part of the city receiving scores in the top 10 percent and above. There are no public schools located in the central part of the city.

FIGURE 13.3-24: REGIONAL TCAC EDUCATION SCORES (2021)





SANTA CLARA HOUSING ELEMENT

FIGURE 13.3-25: TCAC OPPORTUNITY AREAS – EDUCATION SCORE – SANTA CLARA (2021)

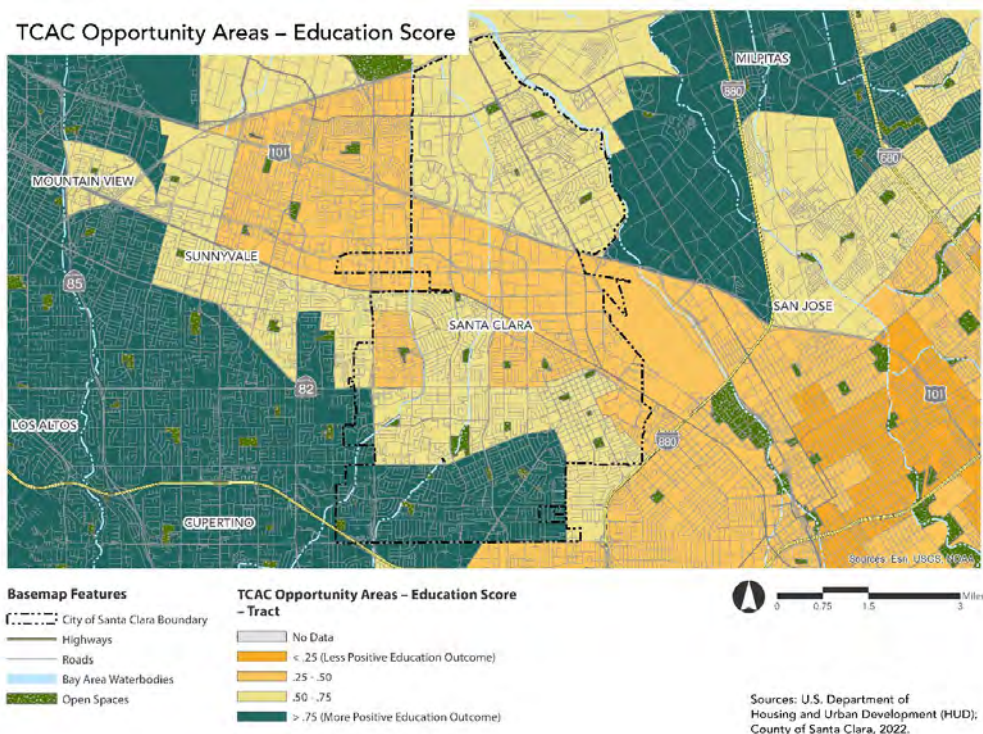
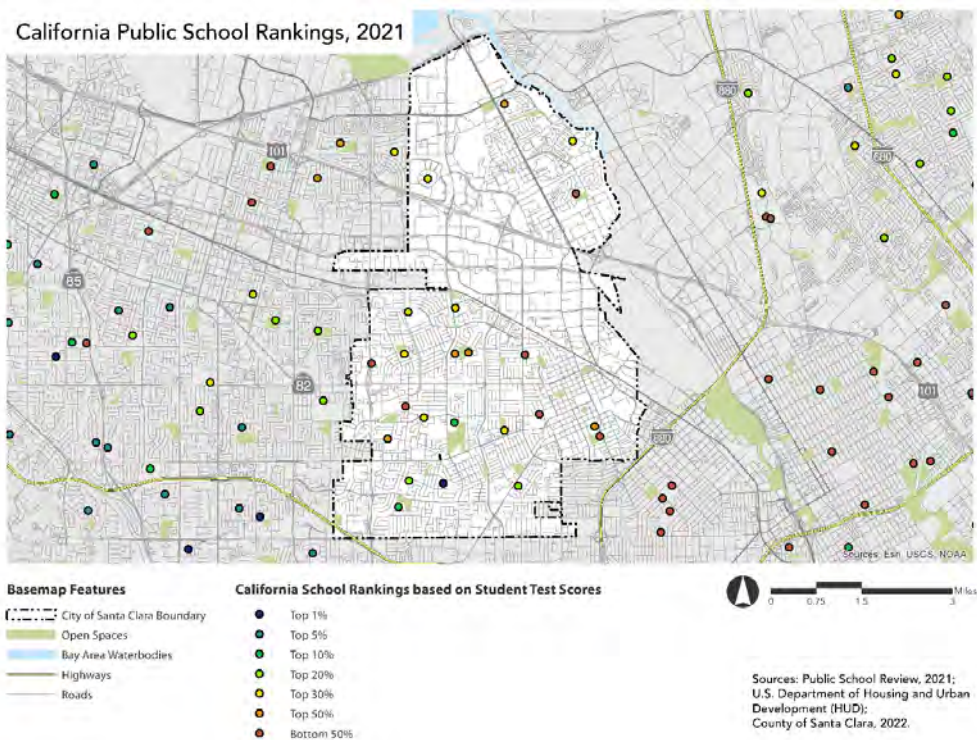


FIGURE 13.3-26: PUBLIC SCHOOL RANKINGS (2021)





SANTA CLARA HOUSING ELEMENT

Transportation

Access to public transit is of paramount importance to households affected by low incomes and rising housing prices, especially because lower income households are often transit dependent. Public transit should strive to link lower income persons, who are often transit dependent, to major employers where job opportunities exist. Access to employment via public transportation can reduce welfare usage and increase housing mobility, which enables residents to reside in housing outside of traditionally low-income neighborhoods.

Transportation opportunities are depicted by two indices: (1) the transit trips index and (2) the low transportation cost index. The transit trips index measures how often low-income families in a neighborhood use public transportation. The index ranges from 0 to 100, with higher values indicating a higher likelihood that residents in a neighborhood utilize public transit. The low transportation cost index measures cost of transportation and proximity to public transportation by neighborhood. It too varies from 0 to 100, and higher scores point to lower transportation costs in that neighborhood.

Regional Trends

In Santa Clara County, neither transit index, regardless of poverty level, varies noticeably across racial/ethnic categories. All races and ethnicities score highly on both indices, with values close in magnitude. If these indices are accurate depictions of transportation accessibility, it might be concluded that all racial and ethnic classes have high and relatively equal access to transportation at both the jurisdictional and regional levels. If anything, both indices appear to take slightly higher values for non-Hispanic Black residents and non-Hispanic Native-American residents, suggesting greater access to and lower costs for transit for these protected groups.

Santa Clara County is served by Valley Transportation Authority (VTA) which includes bus and light rail service throughout the County. VTA runs three light rail lines, 19 rapid bus lines, 24 local bus lines, four express shuttles, and nine shuttles. The County is very well connected by public transit to the larger Bay Area region. The area is also served by Amtrak with stations in Santa Clara and San Jose. The eastern part of Santa Clara County is served by Bay Area Rapid Transit (BART). Both San Jose and Milpitas have BART stops and are served by the Green and Orange lines. The Orange line connects to Richmond and the Green line connects to San Francisco.

FIGURE 13.3-27: REGIONAL PUBLIC TRANSIT ACCESS (2021)



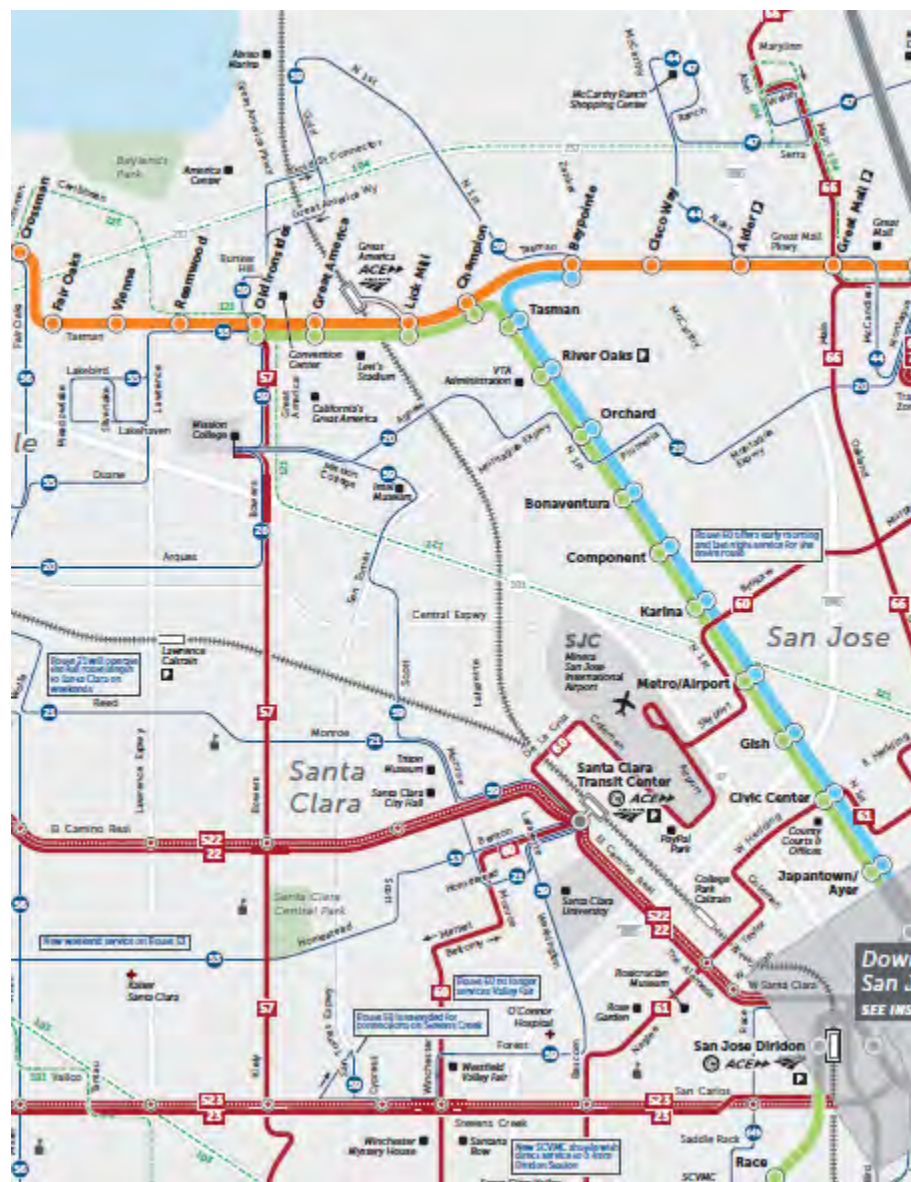
Local Trends

The City of Santa Clara is serviced by Valley Transportation Authority (VTA) including both bus and light rail service. The City of Santa Clara is serviced by two rapid bus lines, three local bus lines, two light rail line, the Altamont Corridor Express (ACE) and Amtrak rail. According to the website alltransit.cnt.org, Santa Clara has a transit performance score of seven (out of 10). This score is determined by the number of transit trips per week a household takes and the number of jobs accessible by transit for a geographic area. Nearby cities of Mountain View and Sunnyvale have higher transit scores of 7.7 and 7.2 respectively, while Milpitas has a lower score of 6.7. Transit access is significantly better in South Santa Clara where there are two rapid bus lines, three frequent bus lines, and the Santa Clara Caltrain Station which will be expanded to also accommodate a BART station connecting to San Jose and the East Bay. Central Santa Clara has a few local bus routes and the Lawrence Caltrain Station while North Santa Clara has several light rail stations with a less robust network of local bus routes. Figure 13.3-28 shows the VTA transit map.

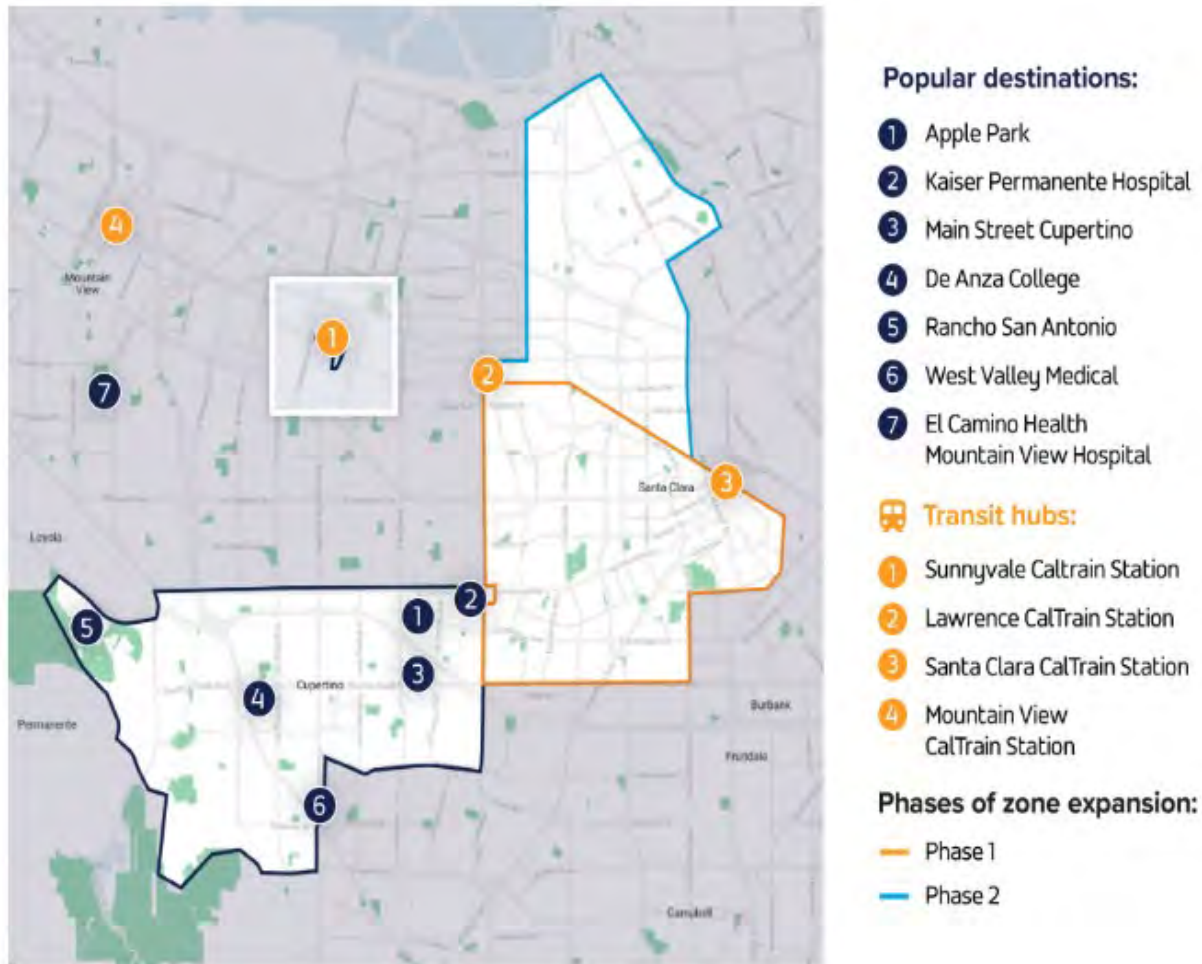


SANTA CLARA
HOUSING ELEMENT

FIGURE 13.3-28: VTA TRANSIT MAP (2023)



The cities of Cupertino and Santa Clara have partnered on the Silicon Valley Hopper app-based ride-share program. The program will provide seamless EV ride share services with a \$3.50 fare between any two points within the service zone. The service will help residents get to major employment centers, hospitals, and rail transit stations. Phase I will serve South Santa Clara and Phase II will serve Central and North Santa Clara starting in 2027. Figure 13.3-29 shows a map of the Valley Hopper service area.

FIGURE 13.3-29: VALLEY HOPPER SERVICE AREA (2023)

Economic Development

Employment opportunities are depicted by two indices: (1) the labor market engagement index and (2) the jobs proximity index. The labor market engagement index provides a summary description of the relative intensity of labor market engagement and human capital in a neighborhood, taking into account the unemployment rate, labor-force participation rate, and percent with a bachelor's degree or higher. The index ranges from 0 to 100, with higher values indicating higher labor force participation and human capital. The jobs proximity index quantifies the accessibility of a neighborhood to jobs in the region by measuring the physical distances between jobs and places of residence. It too varies from 0 to 100, and higher scores point to better accessibility to employment opportunities.



SANTA CLARA HOUSING ELEMENT

Regional Trends

In Santa Clara County, Black Non-Hispanic, White Non-Hispanic, Native American Non-Hispanic, and Asian or Pacific Islander residents all have similar index scores around 50, while Hispanic residents have an index score of 43.19. The map below shows the spatial variability of jobs proximity in Santa Clara County. Cities in northern Santa Clara County along the southern part of San Francisco bay have the highest jobs proximity index of 60 to 80 and 80 and above. This likely reflects the fact that these cities are closer to major economic regions of Silicon Valley and San Francisco. Southern and eastern San Jose have lower jobs proximity index scores (between 40 to 60, 20 to 40, and below 20) as these areas are further away from the economic hubs to the west. The cities of Saratoga, Los Gatos, Morgan Hill, and Gilroy have lower jobs proximity index scores as they are more residential than the surrounding cities. Morgan Hill and Gilroy are also in the southern part of the County, geographically further away from economic hubs. The TCAC scores for the region have some overlap with jobs proximity index scores. The northern and western parts of the County have the highest TCAC scores (above ≥ 75) which is the most positive economic outcome, while the eastern, central, and southern parts of the County have scores between ≥ 50 to ≥ 75 , ≥ 25 to ≥ 50 and below ≥ 25 which is the least positive economic outcome. Again, eastern San Jose, Morgan Hill, and Gilroy have lower TCAC scores than other cities in the County.

FIGURE 13.3-30: REGIONAL JOBS PROXIMITY INDEX (2021)

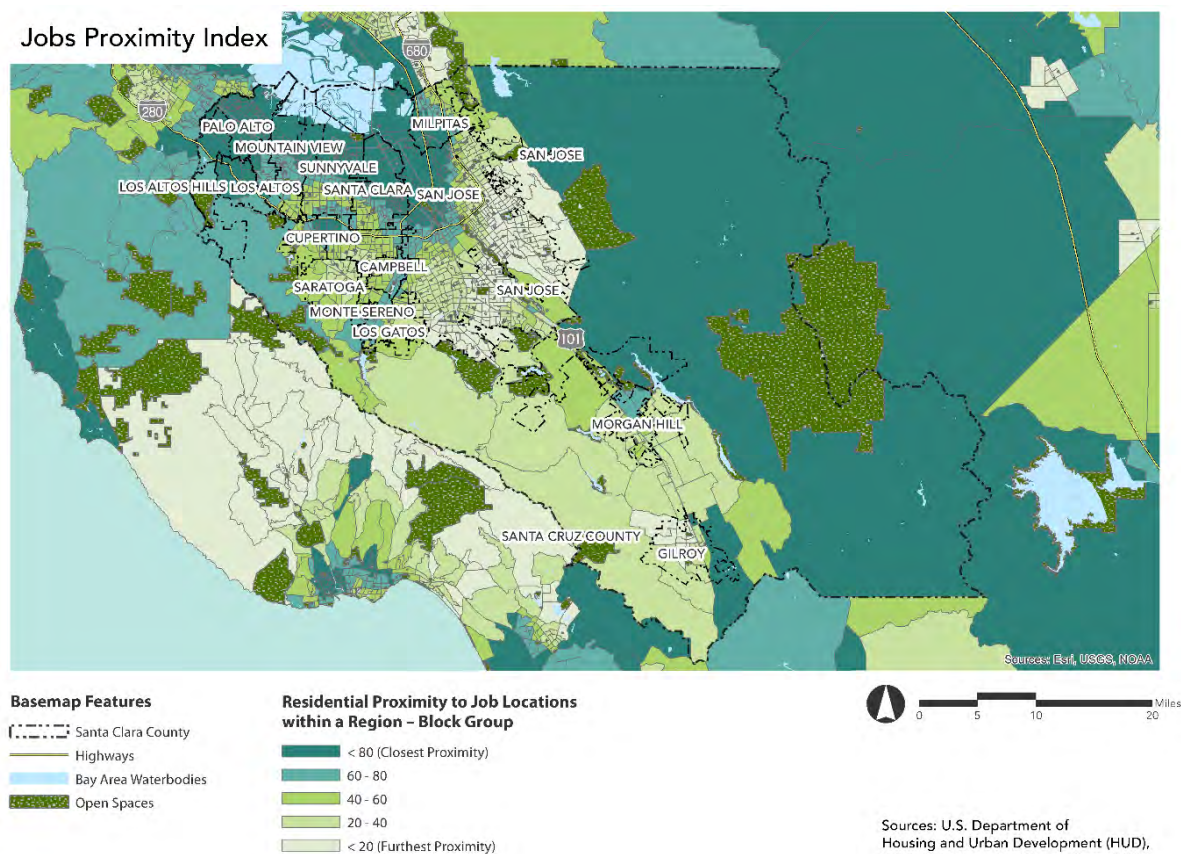
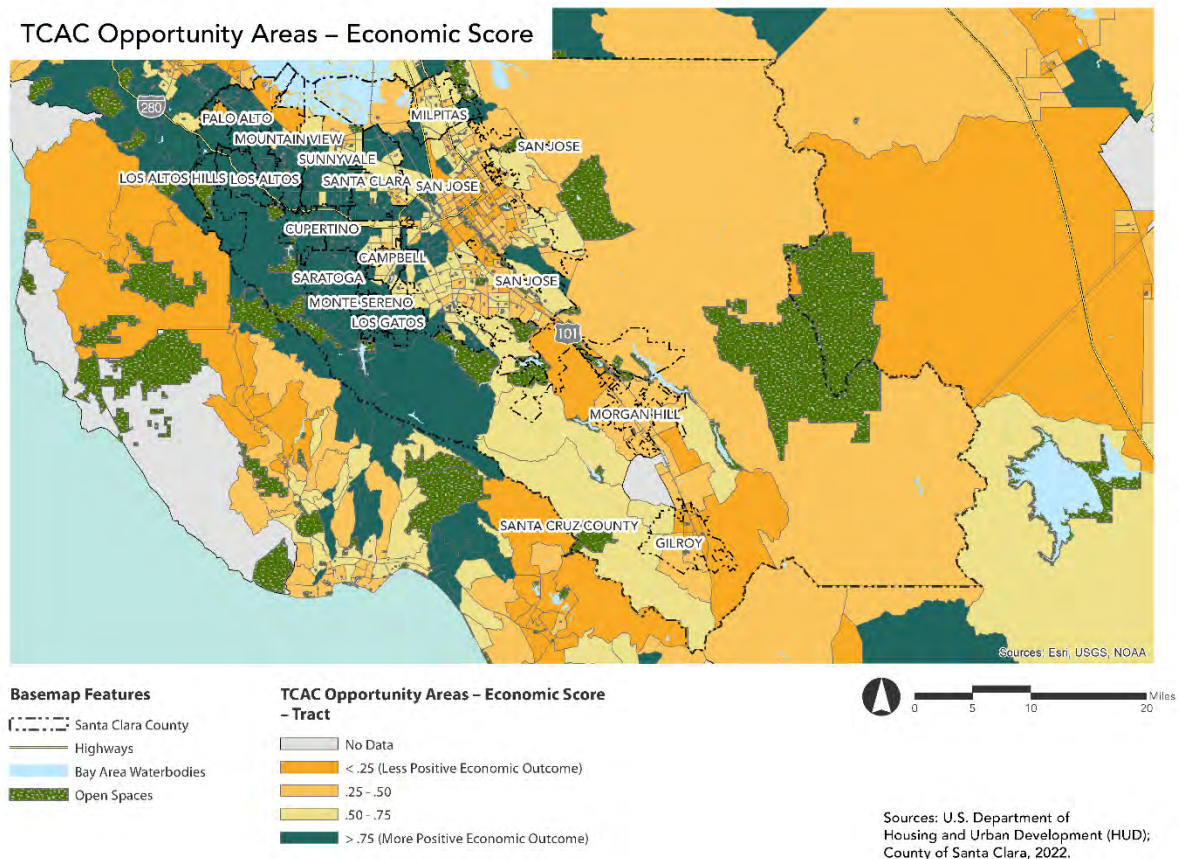


FIGURE 13.3-31: REGIONAL TCAC OPPORTUNITY AREAS – ECONOMIC SCORE (2021)



Local Trends

The northern and central parts of Santa Clara have the highest jobs proximity index scores (above 80) which indicates closest proximity. The southern part of the city has a mix of scores between 60 to 80 and 40 to 60, as they are further away from economic hubs in the northern and eastern parts of the County. The TCAC scores are more variable within the central part of the city with scores between .50 to .75, nearing the more positive economic outcome. Areas in the southern part of the City have scores as low as .25 to .50. The economic score takes into account levels of poverty, adult education, employment, job proximity, and median home value for the area. While job proximity is high for most of the city, income, education, and home values are more variable. Central Santa Clara has more LMI households and lower household median incomes, likely influencing this score. Nearby cities of Mountain, Sunnyvale, and Milpitas have similar jobs proximity index scores, while Milpitas has lower TCAC scores than the three other cities.



SANTA CLARA HOUSING ELEMENT

FIGURE 13.3-32: JOBS PROXIMITY INDEX – SANTA CLARA (2021)

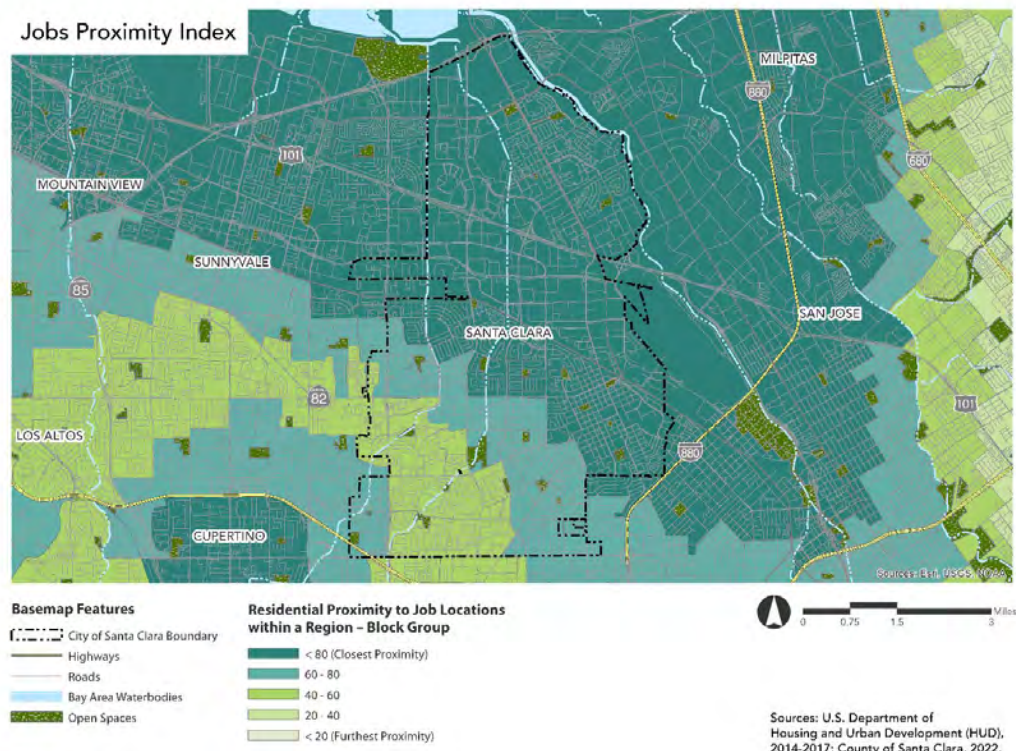
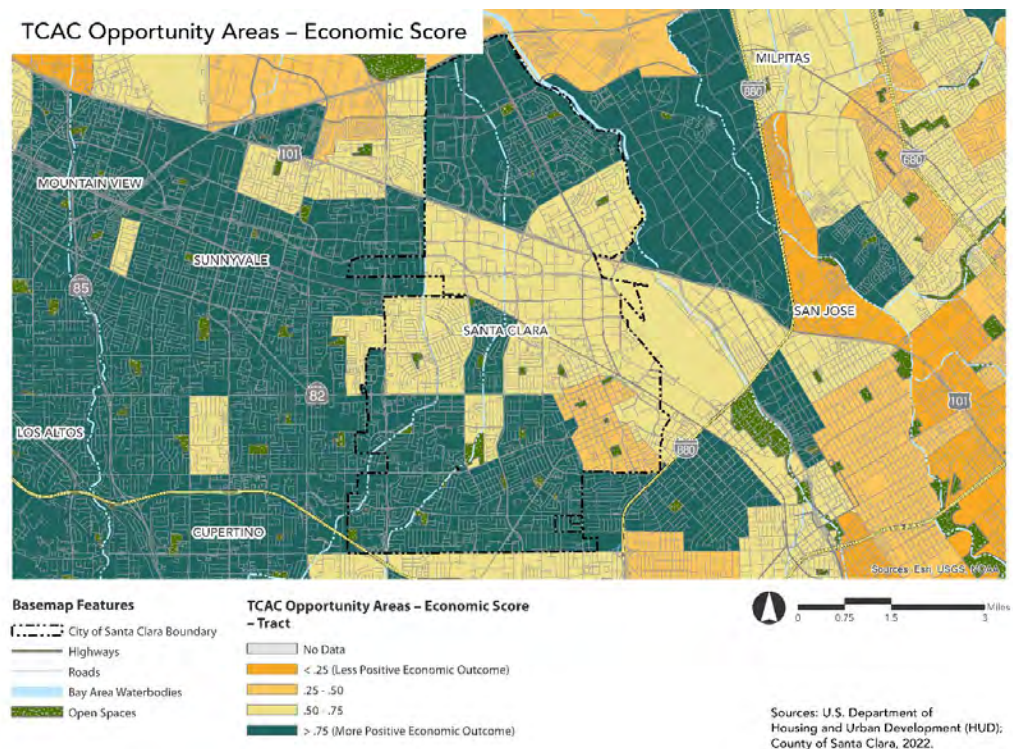


FIGURE 13.3-33: TCAC OPPORTUNITY AREA – ECONOMIC SCORE – SANTA CLARA (2021)



Environment

The Environmental Health Index summarizes potential exposure to harmful toxins at a neighborhood level. Index values range from 0 to 100 and the higher the index value, the less exposure to toxins harmful to human health. Therefore, the higher the value, the better the environmental quality of a neighborhood (where a neighborhood is a census block-group). Environmental health index scores are similar across all races, with scores in the mid-50s to 60. For populations below the poverty line, Native American Non-Hispanic residents have the highest score, of 63.36, while other groups have scores in the mid-50s.

CalEnviroScreen was developed by the California Environmental Protection Agency (CalEPA) to evaluate pollution sources in a community while accounting for a community's vulnerability to the adverse effects of pollution. Measures of pollution burden and population characteristics are combined into a single composite score that is mapped and analyzed. Higher valued scores indicate higher cumulative environmental burden and population impacts.

The California Office of Environmental Health Hazard Assessment (OEHHA) compiles these scores to help identify California communities disproportionately burdened by multiple sources of pollution. In addition to environmental factors (pollutant exposure, groundwater threats, toxic sites, and hazardous materials exposure) and sensitive receptors (seniors, children, persons with asthma, and low birth weight infants), CalEnviroScreen also considers socioeconomic factors such as educational attainment, linguistic isolation, poverty, and unemployment.

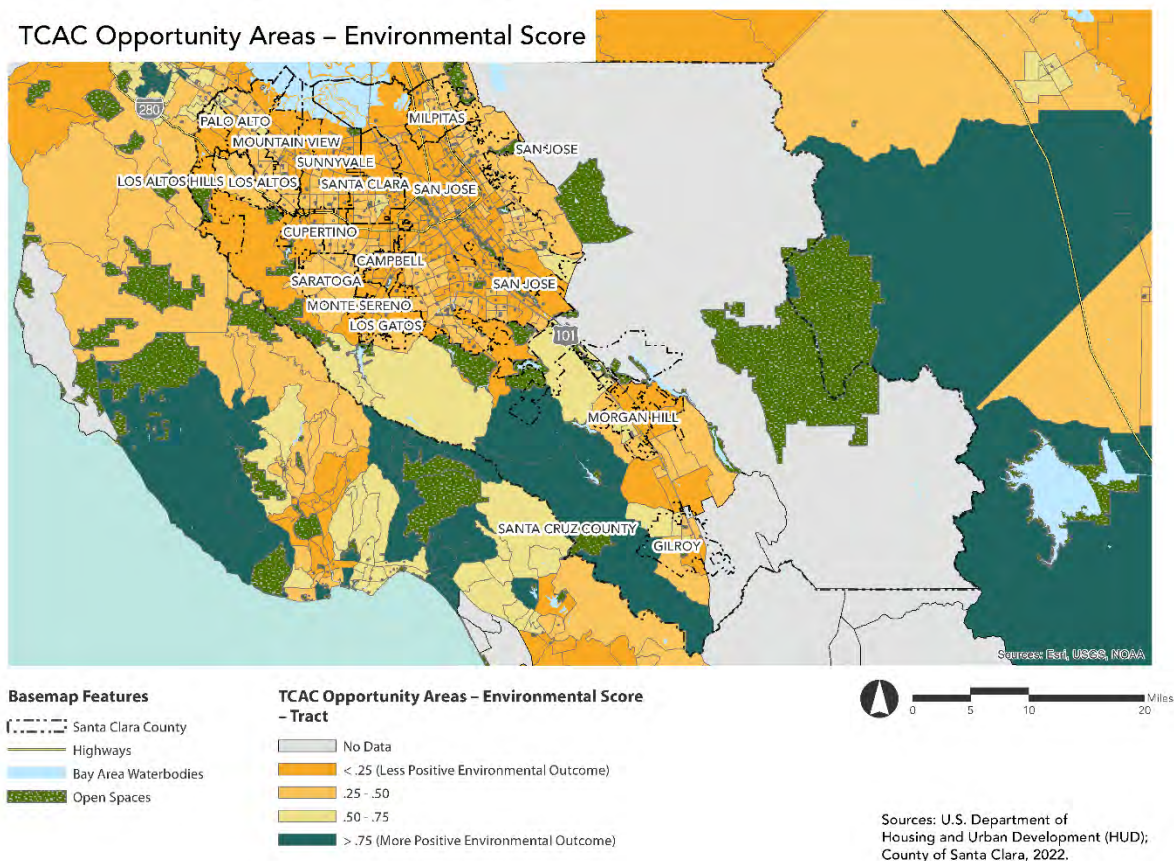
Regional Trends

The map below displays the Environmental Score for Santa Clara County based on CalEnviroScreen 3.0 Pollution Indicators and Values that identify communities in California disproportionately burdened by multiple sources of pollution and that face vulnerability due to socioeconomic factors. Much of the County received scores below :25 to :50 percent, indicating a less positive environmental outlook. While these scores suggest high levels of vulnerable communities, the data has limitations. From the CalEnviroScreen website: "Opportunity mapping also has limitations. For example, maps' accuracy is dependent on the accuracy of the data behind them. Data may be derived from self-reported surveys of subsets of an area's population, and sometimes may not be recorded or reliable in some areas. Further, even the most recent publicly available datasets typically lag by two years, meaning they may not adequately capture conditions in areas undergoing rapid change. The methodology described in this document attempts to address each of these limitations to the degree possible."



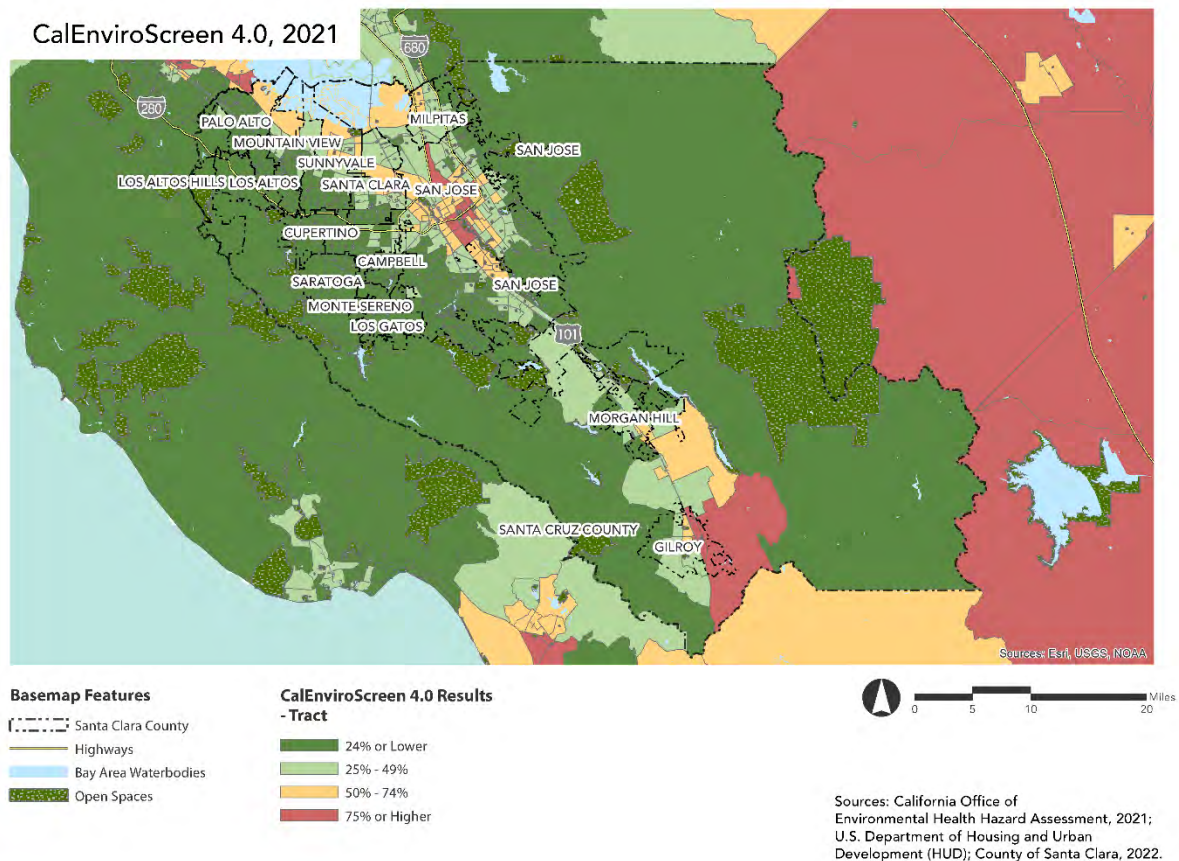
SANTA CLARA
HOUSING ELEMENT

FIGURE 13.3-34: REGIONAL TCAC OPPORTUNITY AREAS – ENVIRONMENTAL SCORE (2021)



The map below displays updated scores for CalEnviroScreen 4.0 released by the California Office of Environmental Health Hazard Assessment, suggesting a more positive environmental outlook for the area. Much of the county has scores below 25 to 49 percent suggesting fewer adverse environmental impacts. There is a concentration in and around San Jose where scores are between 50 to 74 percent and 75 percent and higher indicating high levels of adverse environmental impacts. The eastern edge of Gilroy also reports scores of 75 percent or higher.

FIGURE 13.3-35: REGIONAL CALENVIROSCREEN 4.0 (2021)



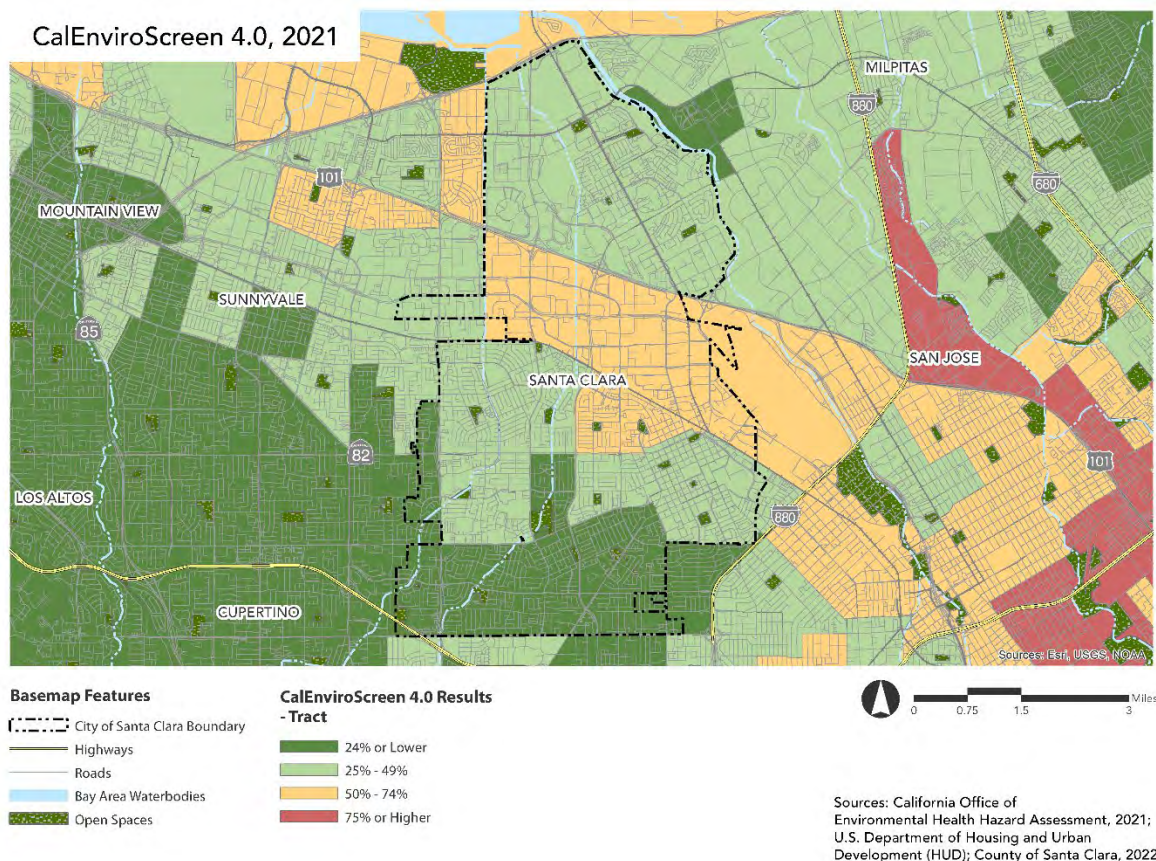
Local Trends

The City of Santa Clara has the most positive CalEnviroScreen scores in the northern and southern parts of the city (25 to 49 percent and below 24 percent) while the central part of the city has scores between 50 to 74 percent. The central part of Santa Clara with less positive environmental scores is likely due to the fact that the area is predominantly industrial and is located between Highway 101 to the north, the Union Pacific Railroad Corridor to the south, and the San Jose International Airport to the east. The nearby cities of Mountain View, Sunnyvale, and Milpitas have CalEnviroScreen scores between 50 and 74 percent.



SANTA CLARA HOUSING ELEMENT

FIGURE 13.3-36: CALENVIROSCREEN 4.0 – SANTA CLARA (2021)



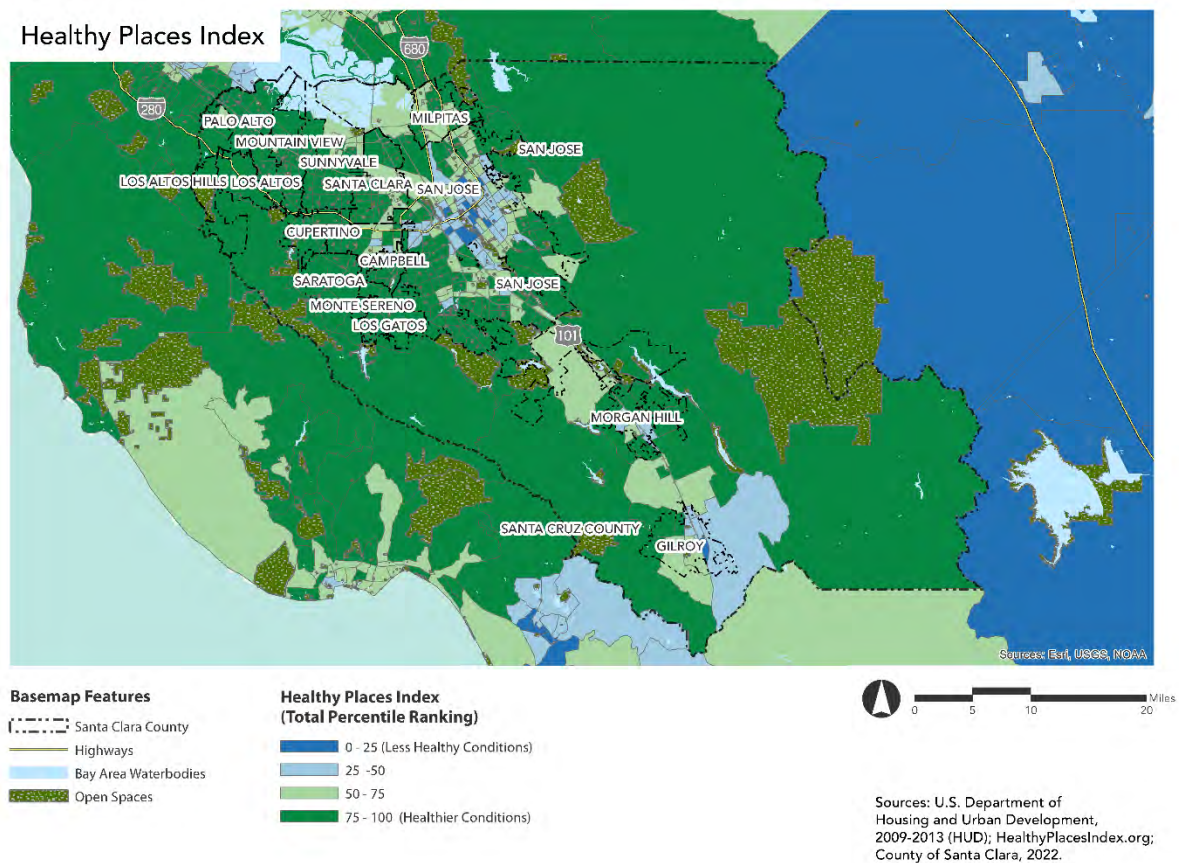
Health and Recreation

Residents should have the opportunity to live = in healthy communities. The Healthy Places Index (HPI) is a new tool that allows local officials to diagnose and change community conditions that affect health outcomes and the wellbeing of residents. The HPI tool was developed by the Public Health Alliance of Southern California to assist in comparing community conditions across the state, and combines 25 community characteristics such as housing, education, economic, and social factors into a single indexed HPI Percentile Score, where lower percentiles indicate less healthy conditions and higher scores indicate healthier conditions.

Regional Trends

The entire County has Healthy Places Index (HPI) scores between 50 to 75 and 75 to 100, indicating healthier conditions. The areas with the slightly lower scores of 50 to 75 are in Santa Clara, Milpitas, San Jose, Morgan Hill, and Gilroy.

FIGURE 13.3-37: REGIONAL HEALTHY PLACES INDEX (2021)



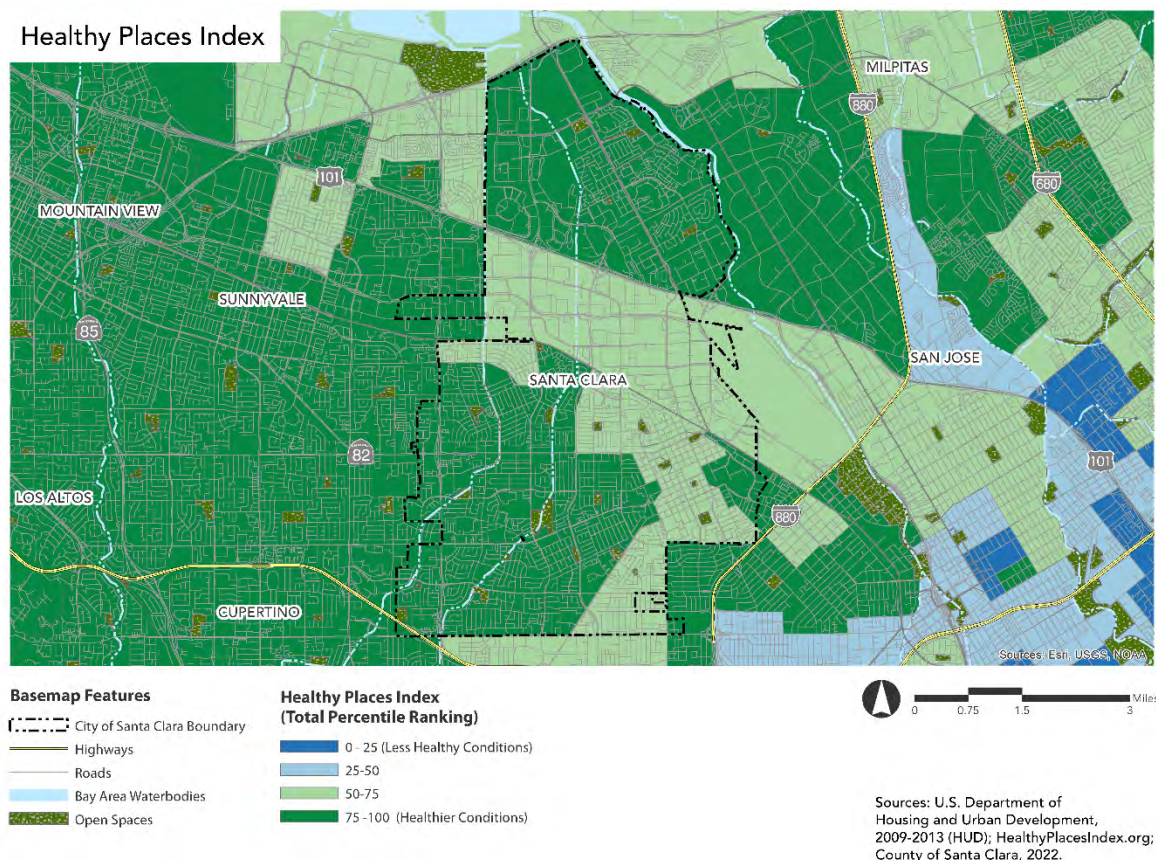
Local Trends

Northern and southern parts of Santa Clara have HPI scores between 75 to 100 while central Santa Clara has scores between 50 to 75, reflecting the CalEnviroScreen scores. Mountain View and Sunnyvale have scores between 75 to 100 while Milpitas has more areas with scores between 50 to 75.



SANTA CLARA HOUSING ELEMENT

FIGURE 13.3-38: HEALTHY PLACES INDEX – SANTA CLARA (2021)



In summary Santa Clara has a mix of CTCAC opportunity area scores. The northern part of the city has moderate and high resources, the central part of the city has low resources, and the southern part of the city has a mix of low, moderate, high, and highest resources. The areas with low resources also overlap with higher CalEnviroScreen Scores (more pollution), lower Healthy Places Index Scores, lower educational outcome scores, higher rates of LMI households, and areas with larger non-White populations. Job proximity is high for most of the city.

Disproportionate Needs

Disproportionate housing needs generally refers to a condition in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing need when compared to the proportion of members of any other relevant groups, or the total population experiencing that category of housing need in the applicable geographic area. The Comprehensive Housing Affordability Strategy (CHAS) developed by the Census for HUD provides detailed information on housing needs by income level for different types of households in Contra Costa County. Housing problems considered by CHAS include:

- Housing cost burden, including utilities, exceeding 30 percent of gross income;

- Severe housing cost burden, including utilities, exceeding 50 percent of gross income;
- Overcrowded conditions (housing units with more than one person per room); and
- Units with physical defects (lacking complete kitchen or bathroom)

According to the Santa Clara AFH, a total of 252,622 households (34.5 percent) in the County experience any one of the above housing problems; and 144,306 households (19.7 percent) experience severe housing problems. Based on relative percentage, Hispanic and Black households experience the highest rate of housing problems regardless of severity. Table 13.3-~~15~~ 17 lists the demographics of households with housing problems in the County.

Table 13.3-17: Demographics of Households with Housing Problems in Santa Clara County

	<i>Total Number of Households</i>	<i>Households with Housing Problems</i>		<i>Households with Severe Housing Problems</i>	
White	88,554	329,170	26.9%	43,381	13%
Black	8,376	16,756	49.9%	4,813	28.7%
Asian/Pacific Islander	77,787	213,541	36.4%	44,730	20.9%
Native American	477	3,026	15.7%	286	9.4%
Other	6,137	48,509	12.65%	3,210	6.6%
Hispanic	71,291	213,541	36.4%	47,886	39.9%
Total	252,622	731,019	34.5%	144,306	19.7%

Source(s): Contra Costa County AI (2020)

Table 13.3-18: Household Type & Size in Santa Clara County

<i>Household Type</i>	<i>No. of Households with Housing Problems</i>
Family Households (< 5 people)	360,406
Family Households (> 5 people)	78,571
Non-family Households	171,734

Source(s): Contra Costa County AI (2020)

Cost Burden (Overpayment)

Housing cost burden, or overpayment, is defined as households paying 30 percent or more of their gross income on housing expenses, including rent or mortgage payments and utilities. Renters are more likely to overpay for housing costs than homeowners. Housing cost burden is considered a housing need because households that overpay for housing costs may have difficulty affording other necessary expenses, such as childcare, transportation, and medical costs.

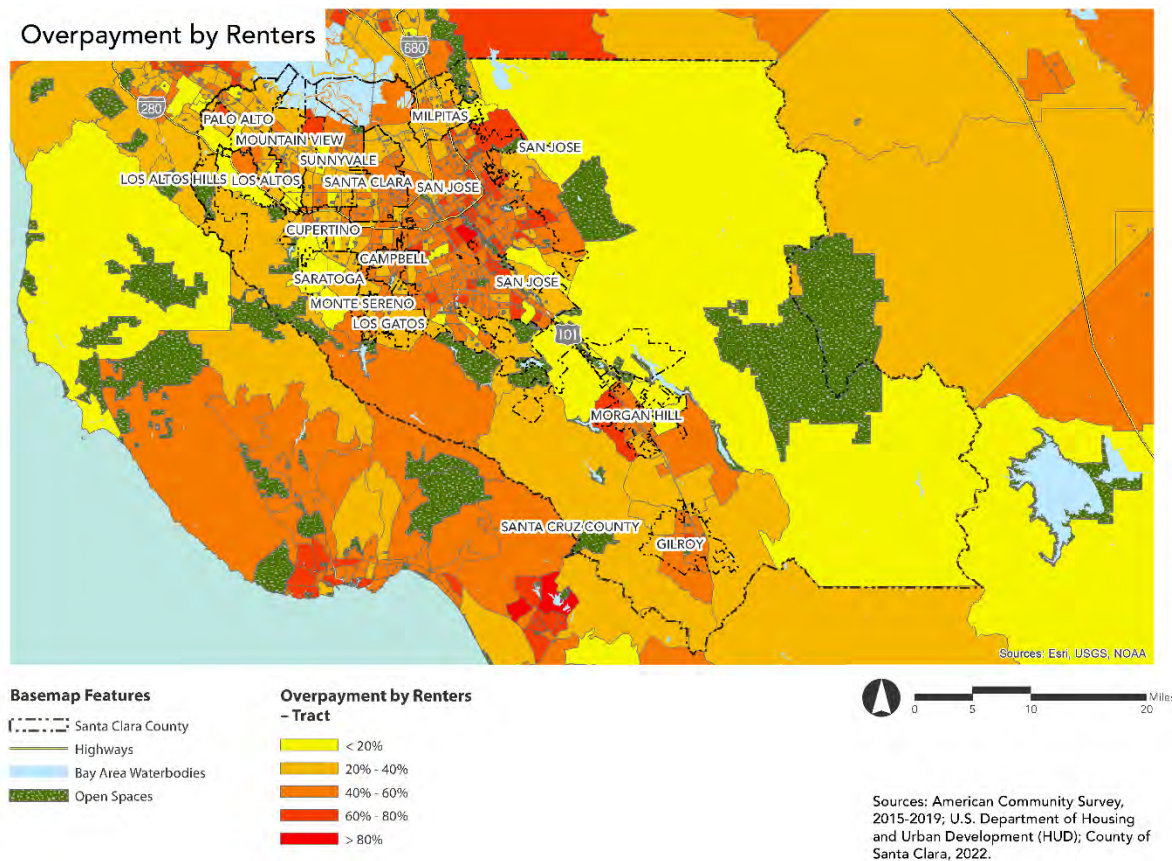


SANTA CLARA HOUSING ELEMENT

Regional Trends

The map below identifies concentrations of cost-burdened renters in Mountain View, San Jose, and Morgan Hill. These cities have areas with renters experiencing overpayment above 80 percent. The rest of the County mostly has rates between 20 to 40 percent, 40 to 60 percent, and 60 to 80 percent. Areas along the eastern part of the County have lower overpayment rates below 20 percent.

FIGURE 13.3-39: REGIONAL OVERPAYMENT BY RENTERS (2021)



Local Trends

As presented in Table 13.3-15¹⁹, 50.7 percent of all households in Santa Clara experience cost burdens. This rate is much higher for renters than owners (63 and 34.4 percent, respectively). The rate of cost burden for all households in the County is slightly lower at 49.7 percent, but the trend still stands with 64.2 percent of renters experiencing cost burden versus 38.6 percent of owners.

Table 13.3-19: Households that Experience Cost Burden by Tenure in Santa Clara County and Santa Clara

Santa Clara County

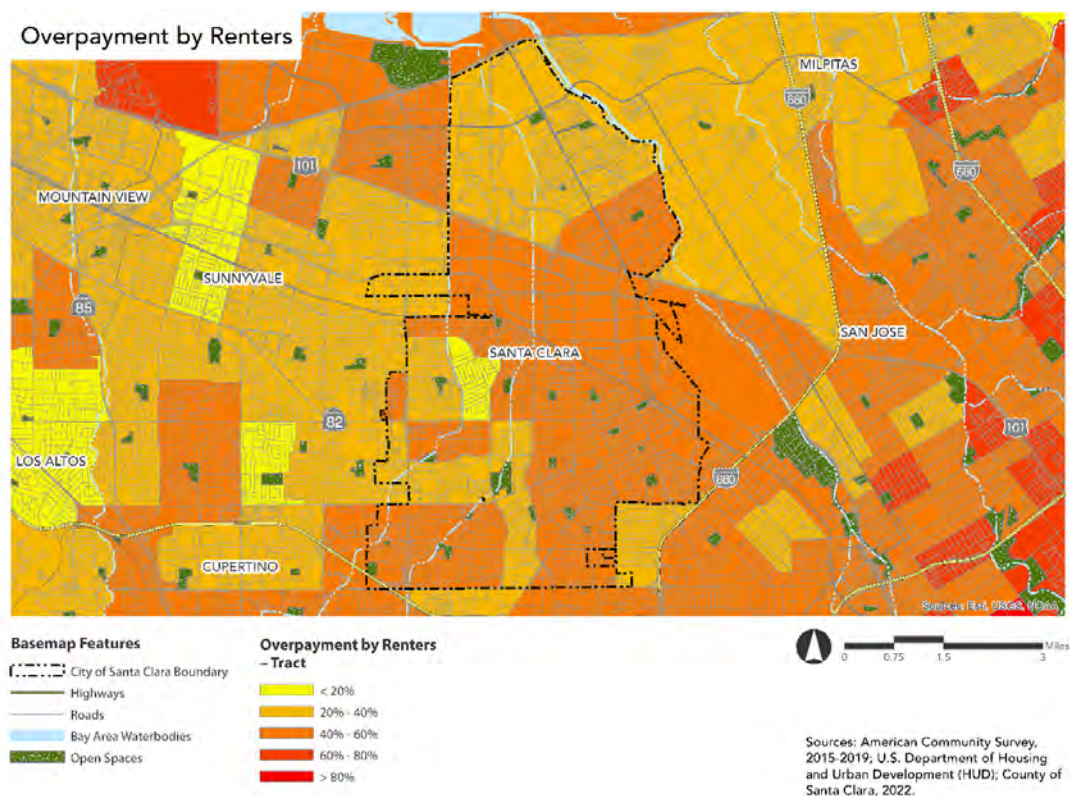
Total Number of Households		Cost burden > 30%	Cost burden > 50%	Percentage of Households that Experience Cost Burden
Owners Only	360,660	98,445	40,910	38.6%
Renters Only	274,865	118,960	57,610	64.2%
All Households	635,525	217,405	98,520	49.7%

Santa Clara

Total Number of Households		Cost burden > 30%	Cost burden > 50%	Percentage of Households that Experience Cost Burden
Owners Only	18,930	4,615	1,900	34.4%
Renters Only	25,150	10,505	5,365	63%
All Households	44,080	15,125	7,625	50.7%

Source(s): <https://www.huduser.gov/portal/datasets/cp.html>

FIGURE 13.3-40: OVERPAYMENT BY RENTERS – SANTA CLARA (2021)





SANTA CLARA HOUSING ELEMENT

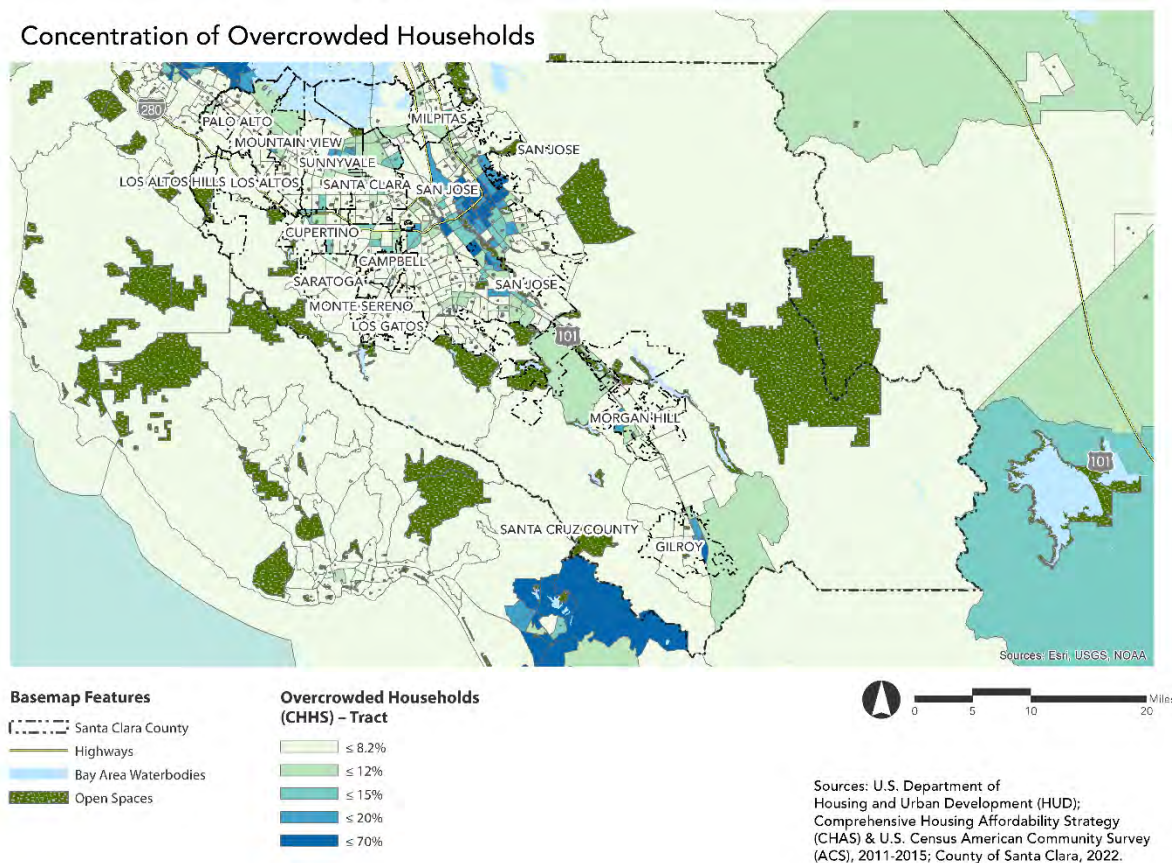
Overcrowded Households

Overcrowding is defined as housing units with more than one person per room (including dining and living rooms but excluding bathrooms and kitchen).

Regional Trends

Figure 13.3-41³⁷ indicates that most of the County has low rates of overcrowded households. San Jose has a concentration of overcrowded homes with percentages between 8.2 percent and as high as 70 percent. The rest of the County mostly has overcrowding rates below 12 percent.

FIGURE 13.3-41: REGIONAL OVERCROWDED HOUSEHOLDS BY TRACT (2015)



Local Trends

According to the 2019 five-year ACS estimates displayed in Table 13.3-16²⁰, 5.2 percent of County households are overcrowded, and 2.9 percent of households are severely overcrowded. These rates are higher for the City of Santa Clara with 6.2 percent of households experiencing overcrowding and 3.4 percent experiencing severe overcrowding. Across both the County and City, overcrowding and severe overcrowding rates are higher for renters than owners.

Table 13.3-20: Overcrowded Households – Santa Clara County and Santa Clara

	Santa Clara County		Santa Clara	
	Overcrowded (>1.0 to 1.5 persons per room)	Severely Overcrowded (>1.5 persons per room)	Overcrowded (>1.0 to 1.5 persons per room)	Severely Overcrowded (>1.5 persons per room)
Owner-Occupied	1.4%	0.4%	0.9%	0.3%
Renter-Occupied	3.7%	2.4%	5.2%	3.1%
All HH	5.2%	2.9%	6.2%	3.4%

Source(s): American Community Survey, 2015-2019. Table B25014

The map below shows areas where overcrowding rates are higher in Santa Clara. The northern part of the city has overcrowding rates of 12 and 15 percent, with a small concentration in the southern part of the city with the same rates. The rest of the city has overcrowding rates below 8.2 percent. The northern part of the city has overcrowding rates of 12 and 15 percent and Asian residents are disproportionately concentrated in 3 out of 4 census tracts in this area. Hispanic and Latino residents are disproportionately concentrated in the census tract adjacent to De La Cruz Blvd. and Highway 101 and has with overcrowding rates at 15 percent. This census tract also overlaps with higher rates of HCV use (5 to 15 percent). The rest of the city has overcrowding rates below 8.2 percent. The area with overcrowding at 12 percent overlaps with higher rates of non-white residents (61 to 80 percent), higher rates of LMI populations (75 to 100 percent), and higher gross rents (\$2,000). The small section with 15 percent overcrowded households overlaps with higher rates of HCV use (5 to 15 percent).

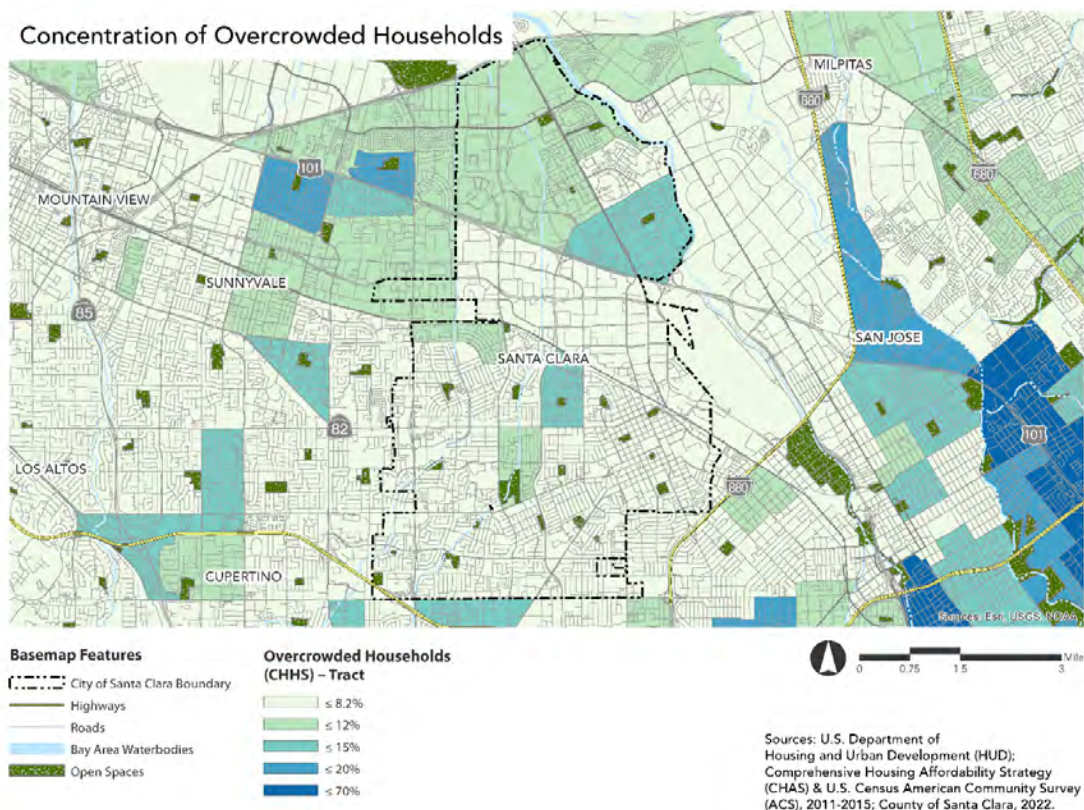
In South Santa Clara the census tract north of El Camino Real bordered by San Tomas and Scott Blvd has an overcrowding rate of 15% and also has a disproportionately high number of Hispanic/Latino residents (24.5%). The census tract South of El Camino Real bounded by Kiely and San Tomas Expressway has an overcrowding rate of 12% and has a disproportionately high number of Asian residents (54%). The City's highest rates of overcrowding (15%) are impacting areas that are disproportionately populated by Hispanic/Latino residents.

The nearby city of Mountain View has overcrowding rates below 8.2 percent, while both Sunnyvale and Milpitas have overcrowding rates at 12 percent. Sunnyvale also has a few areas where the rate rises to 20 percent.



SANTA CLARA HOUSING ELEMENT

FIGURE 13.3-42: CONCENTRATION OF OVERCROWDED HOUSEHOLDS – SANTA CLARA (2021)



Substandard Conditions

Incomplete plumbing or kitchen facilities can be used to measure substandard housing conditions.

Regional Trends

According to 2015-2019 ACS estimates, 0.2 percent of households in Santa Clara County lack complete kitchen facilities and 0.2 percent of households lack complete plumbing facilities. Renter households are more likely to lack complete facilities compared to owner households.

Local Trends

In Santa Clara, 1.3 percent of households lack complete kitchen facilities and 0.2 percent lack complete plumbing facilities. Renter households are more likely to lack complete facilities compared to owner households. The City does not have recent citywide data on substandard conditions, however older lower rent apartment complexes are generally found along the west side of Lafayette north of Hwy 101, within the central city's industrial belt, and in the southeastern Old Quad area south of El Camino Real. These areas may experience a higher need for rehabilitation than other parts of the City that are predominantly single-family or newer multi-

family homes. The City intends to gather more consistent data on substandard conditions through a new proactive multifamily code enforcement program. Although Santa Clara does have an aging housing stock with 21 percent of homes built between 1950 and 1959, 19 percent built between 1960 and 1969, and 17 percent built between 1970 to 1979⁴, rehabilitation programs have not been widely subscribed to. This may be due in part to the fact that housing stock is well maintained due to the high value of homes based on market conditions in the area. The City does recognize that housing stock continues to age therefore monitoring and enforcement will continue to be an ongoing operation as addressed by Action 4 of the Housing Plan which aims to maintain housing stock and specifically focus on rehabilitation for households with a gross income at or below 80 percent of the County median income.

Table 13.3-21: Substandard Housing Conditions – Santa Clara County and Santa Clara

	<i>Santa Clara County</i>			<i>Santa Clara</i>		
	<i>Owner</i>	<i>Renter</i>	<i>All HHs</i>	<i>Owner</i>	<i>Renter</i>	<i>All HHs</i>
Lacking complete kitchen facilities	0.2%	0.7%	0.9%	0.3%	1%	1.3%
Lacking complete plumbing facilities	0.1%	0.1%	0.2%	0.2%	.05%	0.2%

Source(s): American Community Survey, 2015-2019, Table B25053, B25049

In summary, by percentage Hispanic and Black households experience the highest rate of housing problems regardless of severity across Santa Clara County. Based on absolute numbers, Hispanic/Latino, Asian and Pacific Islander, and White households have the largest number of people with severe housing problems in the County. Overcrowding rates in the City of Santa Clara are higher than the County rates with 6.2 percent of households experiencing overcrowding and 3.4 percent experiencing severe overcrowding. The northern part of the city and a few areas in Southern Santa Clara have overcrowding rates of 12 and 15 percent. Overcrowding is occurring in areas that are disproportionately populated by Asian and Hispanic/Latino residents.

⁴ Towncharts.com



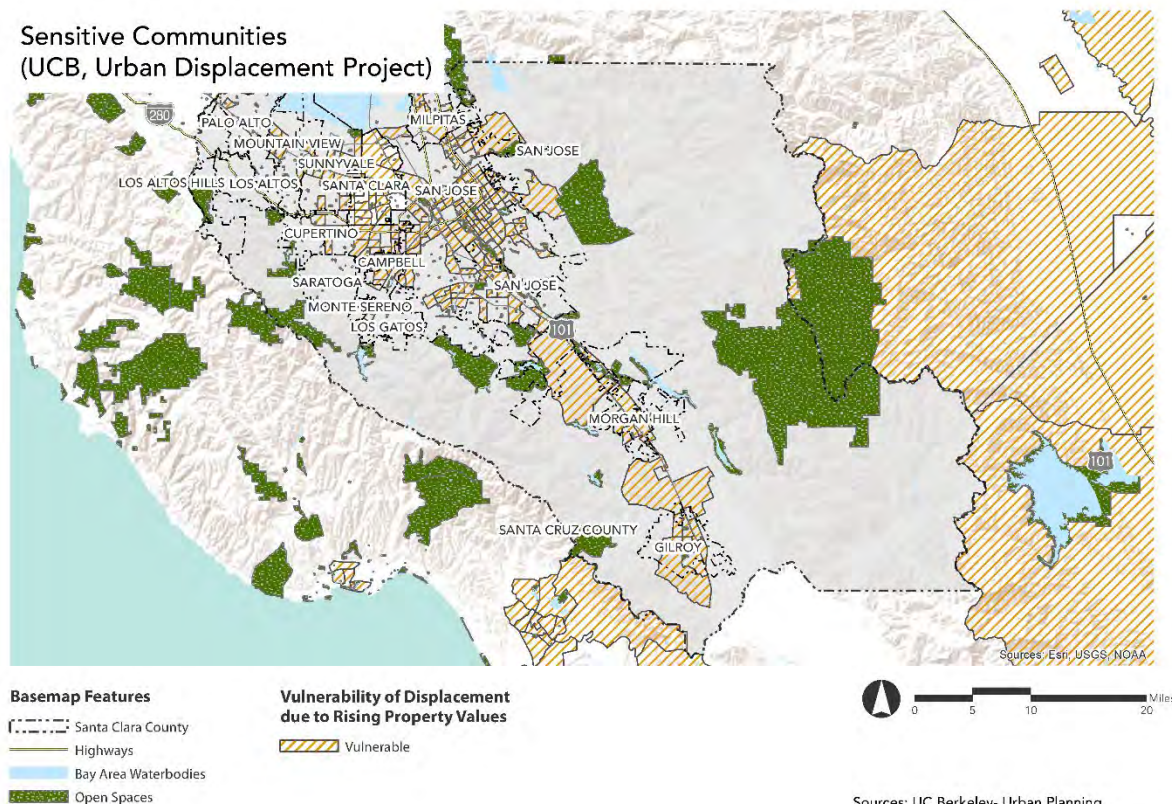
Displacement Risk

Displacement occurs when housing costs or neighboring conditions force current residents out and rents become so high that lower-income people are excluded from moving in. UC Berkeley's Urban Displacement Project states that a census tract is a sensitive community if the proportion of very low income residents was above 20 percent in 2017 and the census tracts meets two of the following criteria: (1) Share of renters above 40 percent in 2017; (2) Share of Non-White population above 50 percent in 2017; (3) Share of very low-income households (50 percent AMI or below) that are also severely rent burdened households above the county median in 2017; or (4) Nearby areas have been experiencing displacement pressures.

Regional Trends

Using this methodology, there are a number of areas in Santa Clara County identified as sensitive communities. Sensitive communities primarily lie along the Highway 101 corridor ranging from Sunnyvale to Gilroy and extend out to Cupertino in the west and east San Jose in the east. Housing prices in this area have continued to rise as the technology industries boom in Silicon Valley, explaining the high percentage of areas in the County identified as sensitive communities.

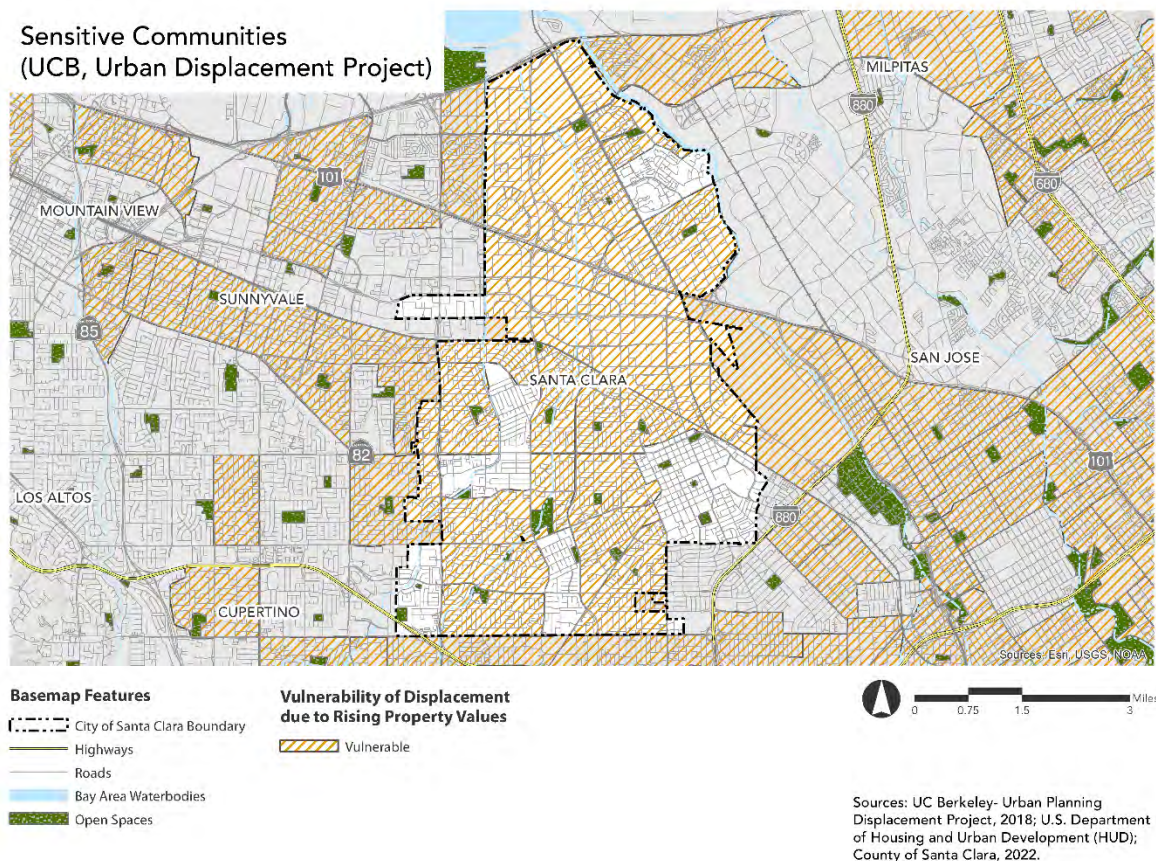
FIGURE 13.3-43: REGIONAL SENSITIVE COMMUNITIES AT RISK OF DISPLACEMENT BY TRACT (2021)



Local Trends

Most of Santa Clara was identified as a sensitive community, with only a few tracts in the south not identified as sensitive communities. Mountain View, Sunnyvale, and Milpitas also have areas identified as sensitive communities, albeit fewer than Santa Clara. Despite much of the City being identified as a sensitive community, the City has not yet seen much direct displacement of current residents as a result of redevelopment. Development in the City has primarily occurred with the rezoning of existing commercial and industrial properties into higher density multi-family housing. Despite the low current rate of displacement, the City has proactively developed actions to address the potential for future displacement. Both action 6 and action 13, outlined in Table 13.3-18-23 below actively work to mitigate residential displacement by exploring funding to support affordable housing acquisition and rehabilitation and program and policy development to prevent displacement.

FIGURE 13.3-44: SENSITIVE COMMUNITIES (UCB, URBAN DISPLACEMENT PROJECT) – SANTA CLARA (2021)



In summary while direct displacement due to redevelopment has not occurred often in recent years, it is likely that indirect displacement due to rising high rents and home prices across the Bay Area is contributing to overcrowding and is forcing people to move away from Santa Clara.



It is possible that development pressure has been focused on the City's specific plan areas and that once these areas are built out, developers may look to redevelop older lower density buildings that are naturally occurring affordable housing. This indicates a need to build more affordable housing, and policies that prevent a net loss of affordability if older market rate buildings are redeveloped, and to potentially require relocation assistance for displaced residents.

AFFH Analysis of the Sites Inventory

An important part of the AFFH analysis is looking at where the site inventory is directing housing growth and how that will replace segregated living patterns with integrated and balanced living patterns and convert any racially or ethnically concentrated areas that may exist into areas of opportunity for households at all income levels. The site inventory in chapter 13.3 places 82% of the City's housing growth over the next 8 years into in HCD/TCAC Opportunity Map High or Highest Resource areas. The site inventory includes a buffer of additional units above the required RHNA allocation so the following figures exceed 100%.

- 101 percent of the City's Very Low Income RHNA units are located in High or Highest Resource areas.
 - VLI RHNA = 2,872 units.
 - VLI Units in Sites Inventory: 251 in Highest Resource Areas (9% of VLI RHNA) and 2,640 in High Resource Areas (92% of VLI RHNA).
- 147 percent of the City's Low Income RHNA units located in High or Highest Resource areas.
 - LI RHNA = 1,653 units.
 - LI Units in Sites Inventory: 361 in Highest Resource Areas (22% of LI RHNA) and 2,075 in High Resource Areas (126% of LI RHNA).
- 124 percent of the City's Moderate RHNA units located in High or Highest Resource areas.
 - Moderate RHNA = 1,981 units.
 - Moderate Units in Sites Inventory: 108 in Highest Resource Areas (5% of Moderate RHNA) and 2,349 in High Resource Areas (119% of Moderate RHNA).
- 165 percent of the City's Above Moderate RHNA units located in High or Highest Resource areas.
 - Above Moderate RHNA = 5,126 units.
 - Above Moderate Units in Sites Inventory: 161 in Highest Resource Areas (3% of Above Moderate RHNA) and 8,294 in High Resource Areas (162% of Above Moderate RHNA).

The following table provides additional details on which types of units are located in different HCD/TCAC opportunity Map Areas:

Table 13.3-22: Site Inventory by HCD/TCAC Opportunity Area



Table 13.3-22: Sites Inventory Units by HCD/TCAC Opportunity Map Area

	Affordability Category				
Site/Credit Type	VLI	LI	Mod.	Above Mod.	Total Capacity
RHNA	2,872	1,653	1,981	5,126	11,632
Pending and Approved Projects	668	746	512	10,218	12,144
<i>Tasman East Focus Area SP</i>	<i>111</i>	<i>234</i>	<i>179</i>	<i>3,842</i>	<i>4,366</i>
<i>Patrick Henry Drive SP</i>	<i>76</i>	<i>75</i>	<i>75</i>	<i>1,294</i>	<i>1,520</i>
<i>Lawrence Station Area Plan</i>	<i>-</i>	<i>5</i>	<i>57</i>	<i>635</i>	<i>697</i>
<i>Freedom Circle Focus Area</i>	<i>54</i>	<i>54</i>	<i>54</i>	<i>913</i>	<i>1,075</i>
<i>Other</i>	<i>427</i>	<i>378</i>	<i>147</i>	<i>3,534</i>	<i>4,486</i>
ADU Projection	118	118	118	39	393
Available Specific Plan Sites	2,105	1,561	1,883	314	5,863
<i>Tasman East Focus Area SP</i>	<i>214</i>	<i>156</i>	<i>458</i>	<i>295</i>	<i>1,123</i>
<i>Patrick Henry Drive SP</i>	<i>1,747</i>	<i>1,299</i>	<i>1,299</i>	<i>-</i>	<i>4,345</i>
<i>Lawrence Station Area Plan</i>	<i>144</i>	<i>106</i>	<i>126</i>	<i>19</i>	<i>395</i>
El Camino Real Rezoning Sites	497	378	366	-	1,242
-	-	-	-	-	-
Total	3,388	2,803	2,879	10,571	19,642
<i>Surplus Units</i>	<i>516</i>	<i>1,150</i>	<i>898</i>	<i>5,445</i>	<i>8,010</i>
<i>Surplus Percentage Above RHNA</i>	<i>18%</i>	<i>70%</i>	<i>45%</i>	<i>106%</i>	<i>69%</i>

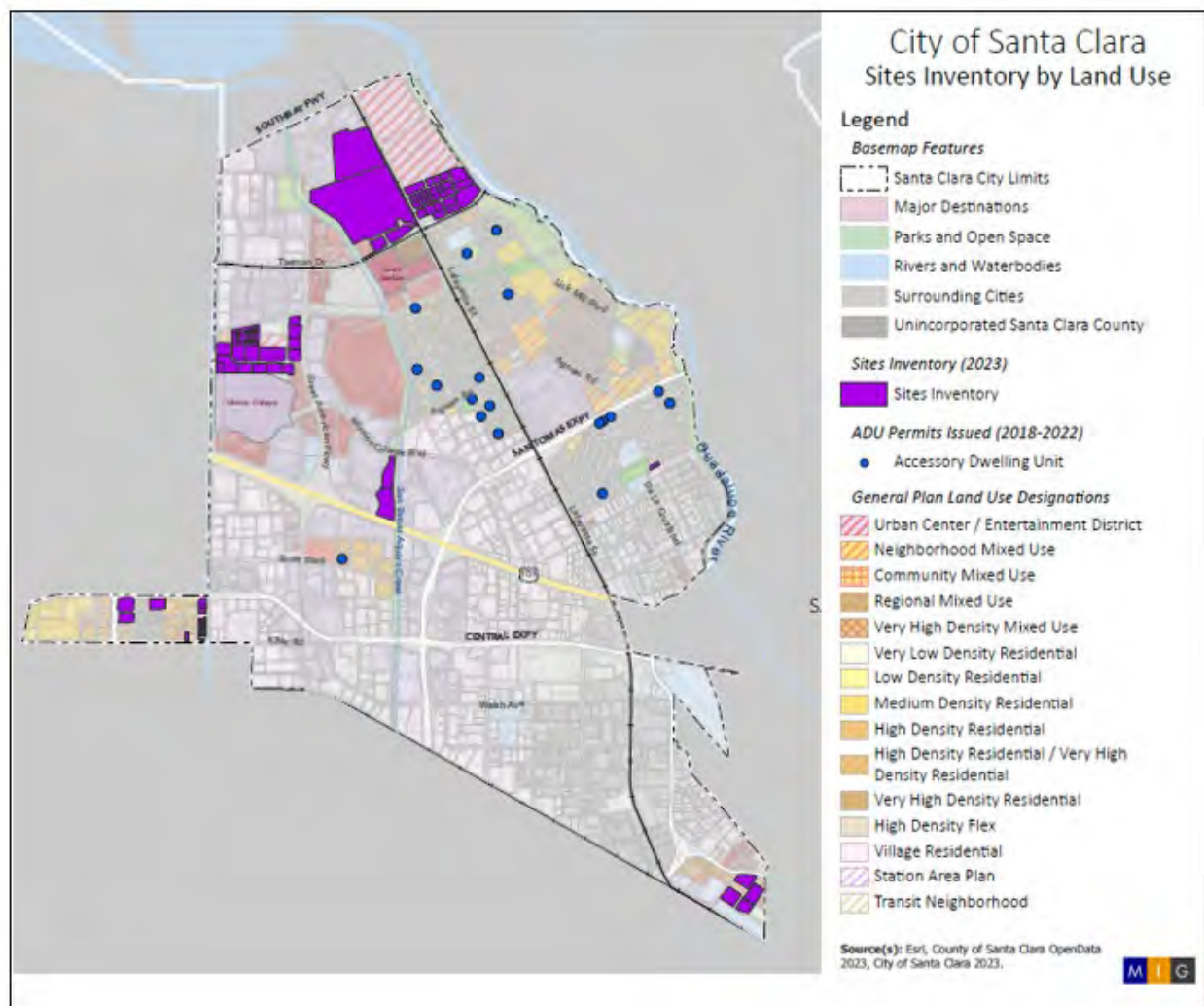
HCD/TCAC Opportunity Map Areas															
Highest Resource				High Resource				Moderate Resource				Low Resource			
VLI	LI	Mod.	Above Mod.	VLI	LI	Mod.	Above Mod.	VLI	LI	Mod.	Above Mod.	VLI	LI	Mod.	Above Mod.
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
148	271	20	145	361	367	345	7,983	53	29	67	682	106	79	80	1,408
				111	234	179	3,842								
				76	75	75	1,294								
									5	57	635				
				54	54	54	913								
148	271	20	145	120	4	37	1,934	53	24	10	47	106	79	80	1,408
47	47	47	16	47	47	47	16	18	18	18	6	6	6	6	2
-	-	-	-	1,961	1,455	1,757	295	144	106	126	19	-	-	-	-
				214	156	458	295								
				1,747	1,299	1,299									
								144	106	126	19				
56	43	41	-	271	206	200	-	170	129	125	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
251	361	108	161	2,640	2,075	2,349	8,294	385	282	336	707	112	85	86	1,410
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

4%	Highest Resource	78%	High Resource	9%	Moderate Resource	9%	Low Resource
----	------------------	-----	---------------	----	-------------------	----	--------------

Northern and Central Santa Clara

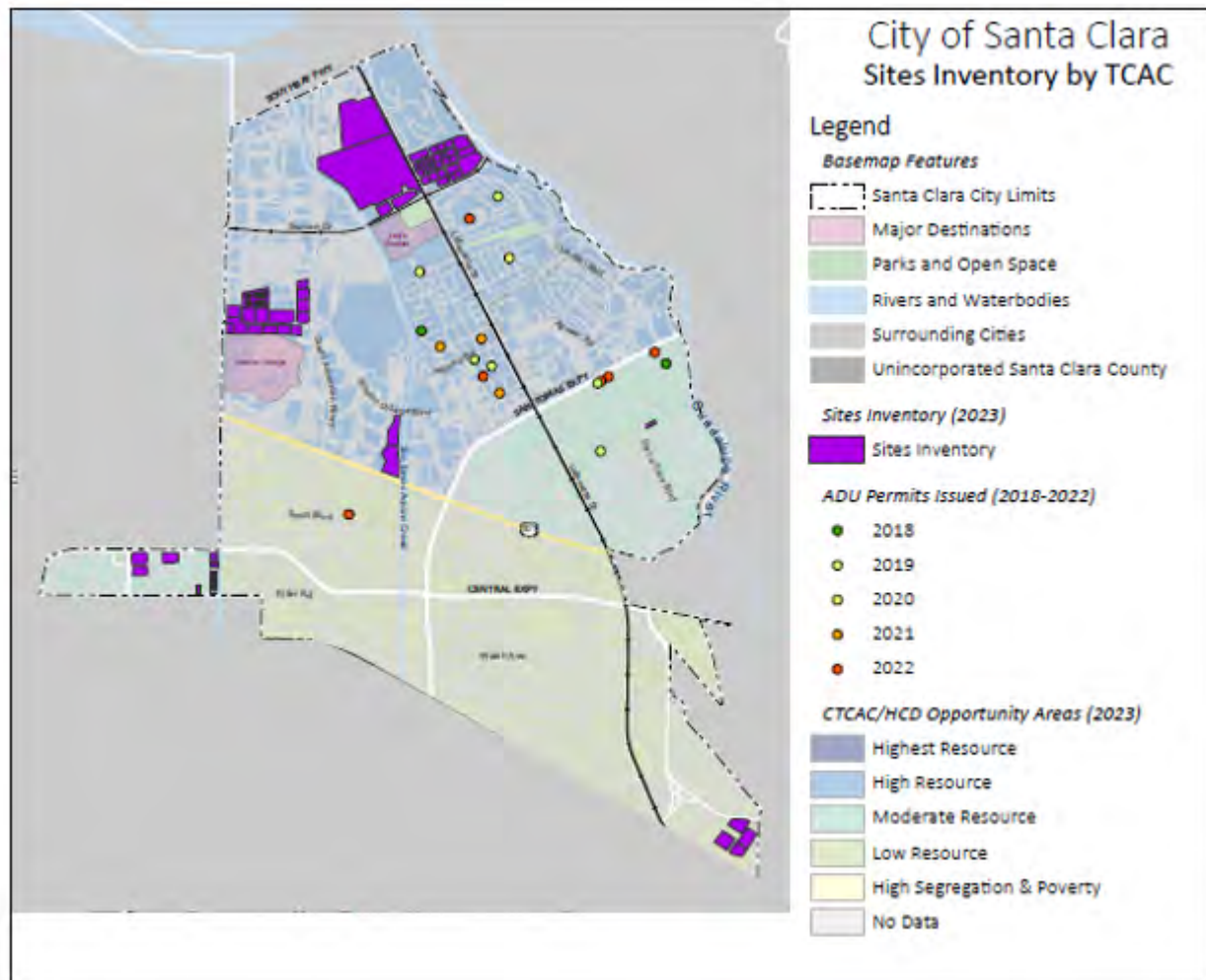
As shown in Figure 13.3-45, this area has large amounts of industrial, office and commercially designated land in the western portion of this area with existing neighborhoods to the east. The site inventory includes multifamily opportunities mostly in the Lawrence Station Area, Patrick Henry Drive Specific Plan Area, and the Tasman East Specific Plan Area where industrial and commercial land is being converted into mixed use residential areas near transit. –The City assumes that accessory dwelling units (ADUs) will continue current trends and develop in single family areas throughout Northern Santa Clara. ADUs are an effective way to add lower income housing opportunities in existing single-family neighborhoods. ADUs will also help respond to higher rates of overcrowding in Northern Santa Clara. Figure 13.3-46 shows that the site inventory is mostly distributed in TCAC High Opportunity Areas.

FIGURE 13.3-45: NORTHERN AND CENTRAL SANTA CLARA SITES INVENTORY AND LAND USE





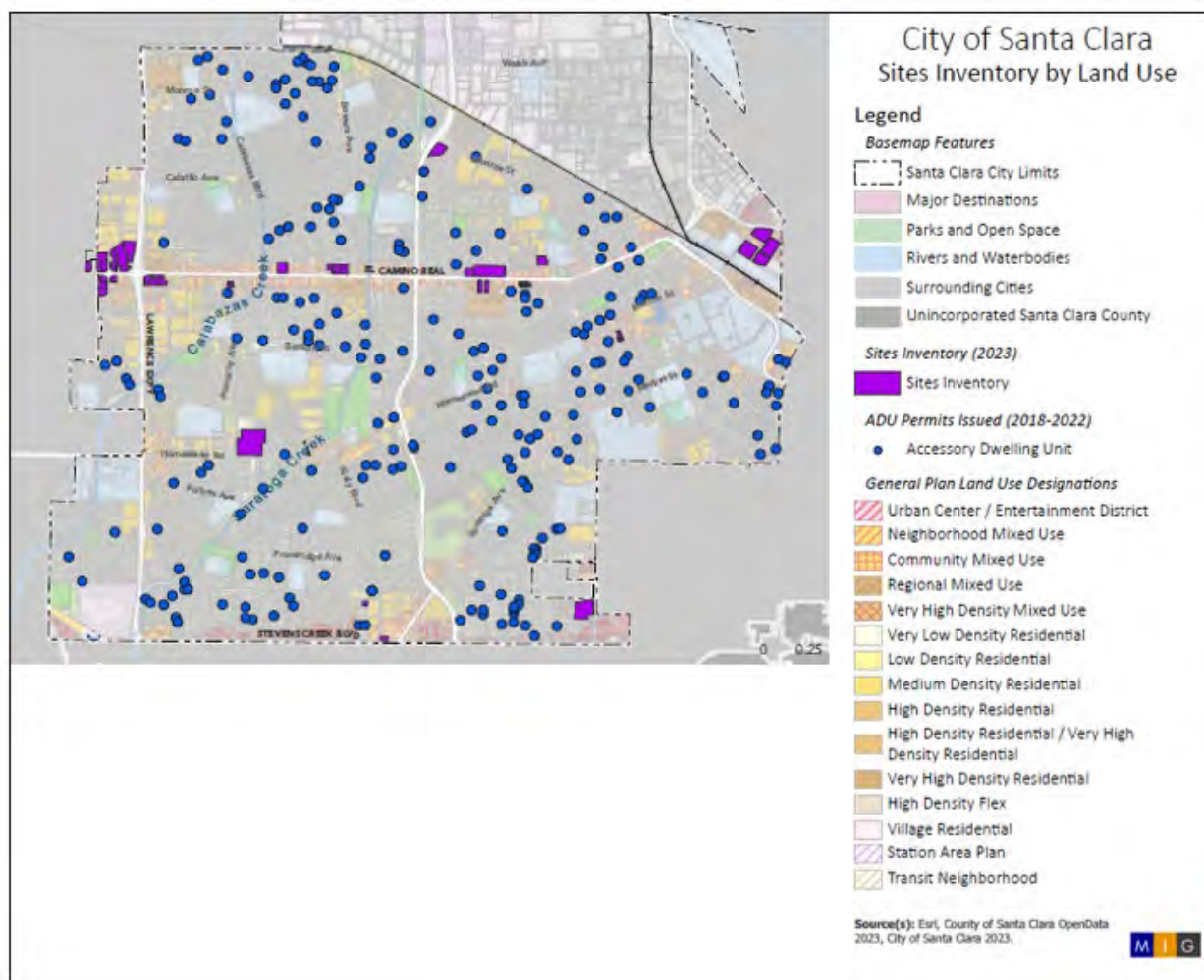
**FIGURE 13.3-46: NORTHERN AND /CENTRAL SSANTA CCLARA SITES
INVENTORY AND TCAC OPPORTUNITY AREAS**



Southern Santa Clara

The site inventory includes multifamily opportunities near transit, including along the El Camino Real corridor, and near the Santa Clara Station Area, and Downtown Santa Clara Precise Plan Area. The City assumes that accessory dwelling units (ADUs) will continue current trends and develop in single family areas throughout Southern Santa Clara. ADUs are an effective way to add lower income housing opportunities in existing single-family neighborhoods which are among the highest opportunity areas in the City. Figure 13.3-48 shows that the sites inventory is distributed across highest, high, and moderate resource TCAC High Opportunity Areas.

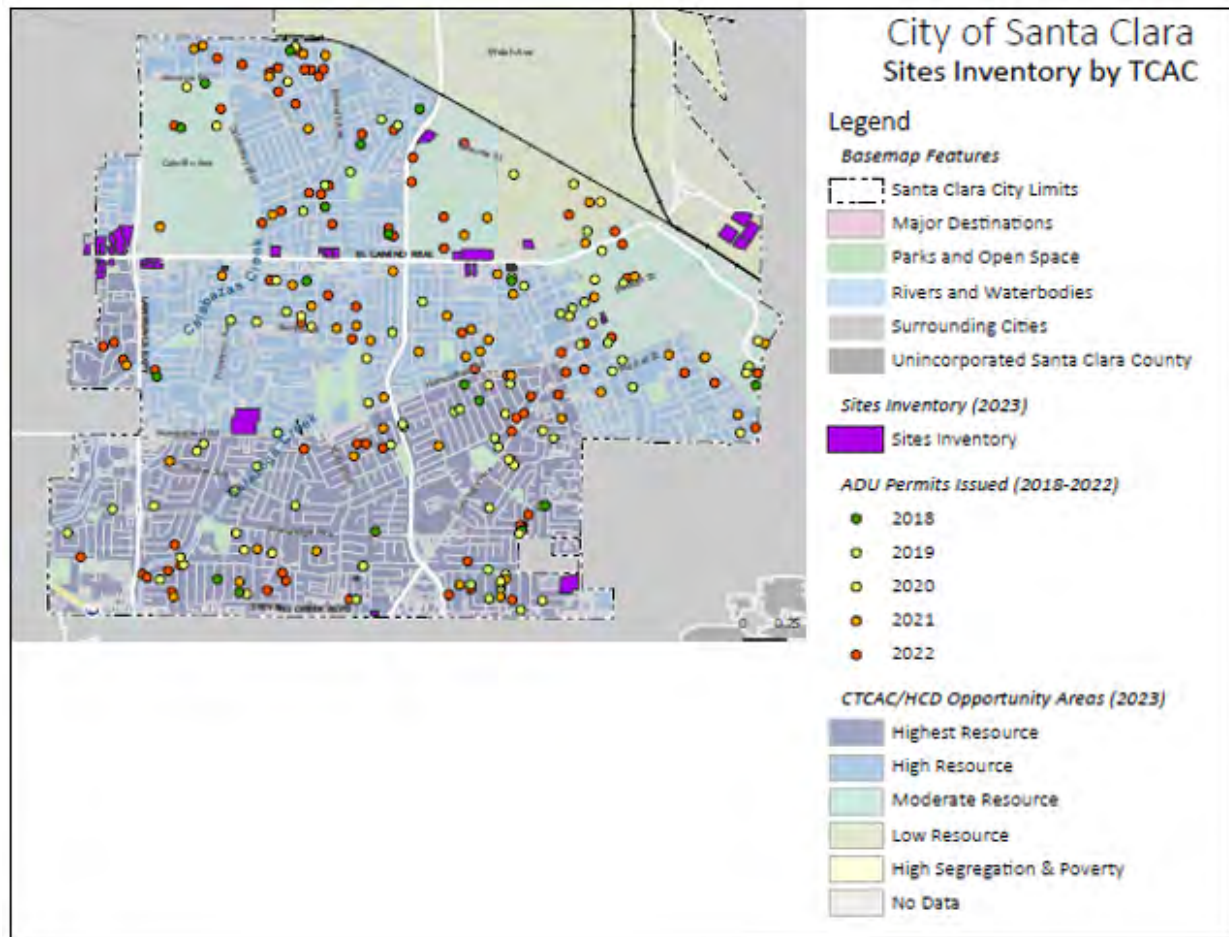
FIGURE 13.3-47: SOUTHERN SANTA CLARA SITE INVENTORY AND LAND USE





SANTA CLARA
HOUSING ELEMENT

FIGURE 13.3-48: SOUTHERN SANTA CLARA SITES INVENTORY AND TCAC OPPORTUNITY AREAS



CONTRIBUTING FACTORS

Based on stakeholder outreach and the above analysis, the City has identified the following contributing factors to housing issues in Santa Clara. Table 13.3-23, prioritizes these contributing factors according to what would most limit or deny fair housing choice or access to opportunity. Meaningful actions listed in Chapter 13.2 that affirmatively further fair housing, promote housing opportunities throughout the community for protected classes, and address contributing factors are also included in the table.

Table 13.3-23: AFFH Meaningful Actions Matrix

Issues	Contributing Factors	Actions / Objectives (Specific Commitments)	Timeline / Metrics	Geographic Targeting	Priority (Low, Medium, High)
Segregation/Integration Patterns and Disparities in Access to Opportunity					
<p><u>Action 1: Provision of a Variety of Housing Types</u></p> <p><u>It can still be difficult to find sites for single room occupancy, emergency shelter, low barrier navigation centers, permanent supportive housing, and residential care facilities.</u></p>	<p>Zoning requirements that make developing a diversity of housing types difficult. Type and size of affordable housing units</p>	<p><u>Action 1: Provision of Variety of Housing Types</u></p> <p>Adopt the comprehensive Zoning Ordinance Update with revised provisions to allow a variety of housing types by right.</p> <p><u>Annually explore regional and state funding sources to build more housing opportunities for persons with disabilities and extremely low-income households.</u></p> <p>And through the provisions of a notice of funding availability (NOFA), prioritize loans for the development of extremely low and very low-income housing alternatives.</p>	<p>May <u>November</u> 2023 and 2026</p>	<p>Citywide with additional funding prioritized in high and highest opportunity areas within a half mile of high frequency bus and rail corridors.</p>	<p><u>HIGH</u></p>
<p><u>It is difficult to find low- and moderate-income rental housing in the City’s highest opportunity areas.</u></p>	<p><u>South Santa Clara includes established single-family neighborhoods where home prices are out of reach for low- and moderate-income residents.</u></p>	<p><u>Action 7:</u></p> <p><u>Monitor ADU activity and report on the production of ADUs through the City’s Annual Progress Report (APR). If the pace of ADU production falls below the level necessary to achieve 392 ADUs during the 2023-2031 planning period, present a plan to City Council to remove barriers and/or further incentivize ADU production (e.g., through additional Zoning changes).</u></p> <p><u>Continue participating in the development and implementation of the Santa Clara County Planning Collaborative ADU Program, which will include a central online resource for making it easier to build ADUs, including an ADU Guidebook, gallery of ADU plans,</u></p>	<p><u>Annually and by end of 2025</u></p>	<p><u>South Santa Clara and Citywide</u></p>	<p><u>HIGH</u></p>



Issues	Contributing Factors	Actions / Objectives (Specific Commitments)	Timeline / Metrics	Geographic Targeting	Priority (Low, Medium, High)
		<u>examples/stories of real ADUs that have been built, and an ADU cost calculator.</u> <u>Action 5:</u> <u>Monitor preservation and conservation opportunities in and adjacent to South Santa Clara’s high and highest TCAC opportunity areas.</u>			
<u>Action 7: Code Enforcement Program</u> <u>When housing is in short supply, tenants often do not report code violations for fear of retaliation and no cause eviction.</u>	<u>Private discrimination</u> Code enforcement violations can arise when housing stock is not appropriately conserved and rehabilitated in a timely manner.	<u>Action 7: Code Enforcement Program</u> Establish multi-family residential housing inspection and educational programs that are self-funded and proactively respond to housing code violations. The City will also provide special attention to maintaining the stability of residential neighborhoods through development of minimum standards of allowed use of the City’s streets, as well as maintenance of front and other yard areas visible from the public right-of-way.	By second half of 2024	Citywide	<u>MEDIUM</u>
	Homeownership is cost prohibitive in much of the Bay Area including Santa Clara. Low and moderate income households are often shut out of the home ownership market.	Explore and present changes to the BMP program to keep homes affordable for longer than 5 years by requiring resale to income eligible homeowners. Promote homeownership for first time buyers through units that are income restricted, encourage program participation for households at all levels of income, and continue to promote homebuyers assistance programs through local and regional organizations.	By the end of 2024	Citywide	

Issues	Contributing Factors	Actions / Objectives (Specific Commitments)	Timeline / Metrics	Geographic Targeting	Priority (Low, Medium, High)
<u>Not all tenants and landlords are aware of their rights and responsibilities under state and local law which can result in the displacement of low-income tenants.</u>	Fair housing issues exist everywhere but disproportionately impact low income households who may not have the resources to dispute unfair housing conditions or housing discrimination.	<u>Action 16: Fair Housing Program</u> Continue to provide fair housing services to residents including referrals, mediation, investigation of claims of discrimination, outreach and <u>translated</u> education materials, open house events to distribute information, and potentially setting a rent deposit limit. <u>-Work with Project Sentinel to host two open house events per year and to distribute translated collateral in lower income census tracts explaining key landlord and tenant rights under current law</u>	<u>By the end of 2024 Ongoing and annually.</u>	Citywide with proactive focus in census tracts with concentrations of persons with disabilities, disproportionate housing needs, and overcrowding.	<u>HIGH</u>
<u>Transit station access is less robust in North and Central Santa Clara.</u>	<u>Industrial and commercial land uses in Central and North Santa Clara</u>	<u>Action 16: Fair Housing Program</u> <u>-Market the Silicon Valley Hopper ride share service Citywide in Central and North Santa Clara once it becomes available in 2027 or later. This service will help connect lower income residents to major employment centers, VTA Light Rail, Caltrain and the future BART station.</u>	<u>2027</u>	<u>Citywide and Central and North Santa Clara</u>	<u>LOW</u>
<u>Place based investment is needed in lower income neighborhoods to increase access to opportunity.</u>	<u>Low income neighborhoods may require additional infrastructure to improve quality of life, access to transit, employment, health food, parks, and other resources.</u>	<u>Action 16: Fair Housing Program</u> <u>By June 2027, complete bike and pedestrian improvements at various locations along Cabrillo Ave, Lafayette St, Monroe St, Royal Dr, Scott Blvd, and Warburton Ave in Central Santa Clara to improve safety and mobility. This area overlaps with an MTC Equity Priority Community and is considered a Low Opportunity Area by TCAC.</u> <u>By fall 2028, develop a CDBG Notice of Funding Availability that dollars to awards additional points to fund capital projects to that improve= quality of life and access to opportunities in HUD designated low-income and distressed areas of the City.</u>	<u>June 2027 for bike pedestrian improvements.</u> <u>Fall 2028 for 2029 NOFA</u>	<u>MTC Equity Priority Communities, and HUD designated low-income and distressed areas of the City.</u>	<u>MEDIUM</u>
<u>Disproportionate Housing Needs</u>					



Issues	Contributing Factors	Actions / Objectives (Specific Commitments)	Timeline / Metrics	Geographic Targeting	Priority (Low, Medium, High)
<u>Residents in Central Santa Clara and areas adjacent to central Santa Clara have lower income, lower access to opportunity, less access to parks, higher pollution, lower educational outcomes. Central Santa Clara has a mix of residents, but Hispanic/Latino residents are disproportionately concentrated in this area.</u>	<u>Older residential development is surrounded by industrial uses</u> <u>Lack of place-based outreach about affordable housing opportunities elsewhere in the City</u> <u>Possible need for better language access</u>	<u>Actions 2 and 16;</u> <u>Increase mobility by conducting proactive in person outreach in relevant languages once per year about the City's affordable housing opportunities and resources such as landlord and tenant rights under state law and mediation services.</u>	<u>Annually</u>	<u>Central Santa Clara and adjacent areas</u>	<u>HIGH</u>
<u>There are not enough licensed residential care facilities and shared housing sites to meet future demand for residents with developmental disabilities and seniors.</u>	<u>Family members cannot care for adult children with developmental disabilities once caregivers are elderly.</u> <u>Funding is needed to acquire and maintain single family homes as licensed care facilities.</u> <u>Multifamily development is not always designed to accommodate the needs of developmentally disabled tenants.</u>	<u>Action 1: Provision of Variety of Housing Types</u> <u>Increase the stock of extremely low and very low-income rental housing designed for persons with developmental disabilities by 35% from 56 in 2023 to 76 in 2030.</u> <u>Action 18: Shared Housing</u> <u>Evaluate the need for shared housing as part of the HUD Consolidated Plan Process.</u> <u>Continue to support the creation of new shared housing for lower income residents with developmental disabilities by including those project types in future Notices of Funding Availability.</u>	<u>2025</u> <u>Ongoing</u> <u>Prior to 2026</u>	<u>Citywide</u>	<u>MEDIUM</u>
Disproportionate Housing Needs					
Displacement Risk					
<u>Some landlords set very high deposits making it difficult for lower income tenants to secure housing or to relocate.</u>	<u>Landlords seek to manage financial risk.</u> <u>Low income tenants are rent burdened in this high cost market making it hard to save and give up a large amount of money for a deposit.</u> <u>Deposits are sometimes not returned to tenants even if the unit is left in good condition.</u>	<u>Action 13: Residential Displacement</u> <u>By the end of 2025 analyze the feasibility of setting a rent deposit limit and present findings from that analysis to the Housing Commission and City Council.</u>	<u>December 2025</u>	<u>Citywide</u>	<u>MEDIUM</u>

Issues	Contributing Factors	Actions / Objectives (Specific Commitments)	Timeline / Metrics	Geographic Targeting	Priority (Low, Medium, High)
<p>Action 6: Acquisition of Multi-Family Housing</p> <p><u>Naturally occurring affordable housing stock is at risk of acquisition by for profit investors. Such acquisitions often result in direct displacement once rents are increased.</u></p>	<p><u>As Santa Clara builds out and land values increase, there will be increasing pressure to reposition or redevelop older residential buildings.</u></p> <p><u>Rehabilitation can sometimes be more profitable than new construction.</u></p> <p><u>Nonprofit developers don't always have a fair chance to make offers to purchase such properties.</u></p>	<p>Action 6: Acquisition of Multi-Family Housing</p> <p><u>Create a database of naturally occurring affordable housing and annually monitor property sales and/or permit applications to identify conversion trends early.</u></p> <p>Present the findings on resources required to implement a Community Opportunity Purchase Act (COPA).</p> <p>Continue to explore funding sources to support affordable housing developers with acquisition/rehabilitation properties and work with nonprofits to acquire and rehabilitate multi-family structures to be converted into affordable rental housing. Explore funding sources available at the regional, state, and federal levels to support affordable housing developers with acquisition/rehabilitation opportunities.</p> <p><u>Work with nonprofit entities to acquire properties and rehabilitate existing multi-family structures to be maintained as or converted into affordable rental housing. Prioritize assistance for housing that is within one half mile of rail transit stations or that is in a high or highest opportunity area according to TCAC.</u></p>	Early 2027 and annually	<u>South Santa Clara and Citywide</u>	<u>MEDIUM</u>
<p>Action 13: Residential Displacement</p> <p><u>Direct and indirect displacement can increase overcrowding, displacement, longer commutes and homelessness.</u></p>	<p>Lower income households can experience displacement when new developments are built that are not affordable to existing residents <u>and when regional housing prices rise faster than incomes.</u></p> <p><u>High security deposits can create barriers for lower income tenants moving between apartments.</u></p> <p><u>Landlords and Tenants may not be aware of their rights under state law.</u></p>	<p>Action 13: Residential Displacement</p> <p>Evaluate and provide recommendations to the City council on new programs and policies that prevent displacement <u>and as necessary adopt programs and policies to address displacement with bi-annual monitoringsuch as no net loss, one year notification, and relocation benefits.</u></p> <p>Continue funding for dispute resolution services, the regional Homelessness Prevention System, and marketing below market rate rental and ownership opportunities.</p>	2025-2027	Citywide	<u>HIGH</u>



Issues	Contributing Factors	Actions / Objectives (Specific Commitments)	Timeline / Metrics	Geographic Targeting	Priority (Low, Medium, High)
Cost Burden					
<u>Affordable housing is not affordable enough. The City needs more extremely low and very low-income units to house low wage workers, seniors, persons with disabilities and a variety of unit sizes to accommodate singles, couples, single parent households, and large families.</u>	<u>Market rate housing is out of reach for lower income residents.</u> <u>Seniors and households on fixed incomes cannot afford rent increases that are based on escalating HCD Income Limits.</u> <u>The City has limited funds for deep subsidies.</u> <u>Apartments for large families are less common than studios, one bedroom and two-bedroom apartments.</u>	<u>Action 1: Provision of Variety of Housing Types</u> <u>-Increase the stock of income restricted three and four bedroom affordable rental housing units to serve large households in Santa Clara by 20% from 107 units in 2023 to 129 units in 2030.</u> <u>Increase the stock of extremely low and very low income rental housing designed for persons with developmental disabilities by 35% from 56 in 2023 to 76 in 2030.</u> <u>Action 2: Affordable Housing Ordinance</u> Reassess the potential of updating the Citywide affordable ordinance to support deeper affordability requirements (5% very low income, 5% low income, and 5% moderate income) for rental and ownership projects. The City will also look into updating the definition of "moderate income" units from 120% AMI to 100% AMI <u>or a percentage of market rents.</u> <u>Lastly, dAction 15: Homeownership for First-Time Homebuyers</u> <u>Determine the feasibility of keeping new Below Market Purchase homes deed restricted for 20-30 years vs. 5 years.</u> <u>Action 14: Housing Choice Voucher Program Advocate for additional project and person-based vouchers for seniors and other special needs groups through partnerships with affordable housing developers and local and County housing authorities. Promote incentives that encourage landlords to accept Housing Choice Vouchers (HCV) and continue to refer households in need to the Housing Authority's Housing Choice Voucher Application Portal.</u>	By the end of 2024 and annually	<u>Citywide</u> Citywide <u>with a proactive focus on landlords with multifamily sites located in high and highest opportunity census tracts.</u>	<u>HIGH</u>

Issues	Contributing Factors	Actions / Objectives (Specific Commitments)	Timeline / Metrics	Geographic Targeting	Priority (Low, Medium, High)
<u>It is costly to build and operate affordable housing in Santa Clara County which limits the supply.</u>	<u>Affordable housing requires many sources of subsidies and coordination and partnership with local governments.</u> <u>High land costs make development more challenging.</u>	<u>Action 3: Affordable Housing Incentives and Facilitation</u> <u>Create an SB 35 Streamlining checklist, procedures</u> Proactively encourage and facilitate development efforts and identify funding sources for developers and organizations in constructing affordable housing for lower income households particularly special needs groups. Conduct public outreach and issue a request for proposals to develop mixed income or 100% affordable housing on the vacant former site of the King's Highway Motel on El Camino Real.	<u>June 2022</u> By March 202 43 , by end of 2024, and Annually <u>December 2024</u>	Citywide and proactive outreach in the neighborhood surrounding the King's Highway Motel on El Camino Real.	<u>HIGH</u>
<u>It is costly to build and operate affordable housing in Santa Clara County which limits the supply.</u>	<u>Much more funding is needed to realize the City's RHNA goals for lower income units.</u>	<u>Action 12: Affordable Housing Funding</u> Explore additional funding sources for the development of affordable housing and annually evaluate Notices of Funding Availability (NOFA) <u>from state, federal, and regional programs.</u>	End of 2025, <u>and Annually</u>	Citywide	<u>MEDIUM</u>
<u>Affordable housing is not affordable enough. The City needs more extremely low and very low-income units to house low wage workers, seniors, and persons with disabilities.</u>	Seniors and households on fixed incomes cannot afford rent increases that are based on escalating HCD Income Limits.	<u>Action 1: Provision of Variety of Housing Types</u> <u>Increase the stock of extremely low and very low income rental housing for elderly persons by 20% from 736 in 2023 to 884 in 2030.</u> <u>Action 14: Housing Choice Voucher Program</u> Advocate for additional project and person-based vouchers for seniors and other special needs groups through partnerships with affordable housing developers and local and County housing authorities. Promote incentives that encourage landlords to accept Housing Choice Vouchers (HCV) and continue to refer households in need to the Housing Authority's Housing Choice Voucher Application Portal.	Annually	Citywide with a proactive focus on landlords with multifamily sites located in high and highest opportunity census tracts.	<u>HIGH</u>



Issues	Contributing Factors	Actions / Objectives (Specific Commitments)	Timeline / Metrics	Geographic Targeting	Priority (Low, Medium, High)
		<u>Action 4: Maintenance of Housing Stock</u> <u>By fall 2025, market future CDBG capital NOFAs to residential care facilities for repair and renovation work to begin in summer 2026. The NOFA shall include extra points for projects that serve persons with disabilities and/or extremely low-income households.</u>			
<u>It is difficult for low- and moderate-income households to buy a home or condo in Santa Clara</u>	<u>Homeownership is cost prohibitive in much of the Bay Area including Santa Clara. Low- and moderate-income households are often shut out of the home ownership market.</u> <u>Below Market Purchase homes can be resold to market rate buyers after 5 years.</u>	<u>Action 15: Homeownership for First-Time Buyers</u> <u>Explore and present changes to the BMP program to keep homes affordable for longer than 5 years by requiring resale to income eligible homeowners. Promote homeownership for first time buyers through units that are income restricted, encourage program participation for households at all levels of income, and continue to promote homebuyers assistance programs through local and regional organizations.</u>	<u>By the end of 2024</u>	<u>Citywide</u>	<u>MEDIUM</u>
Substandard Conditions					
<u>As housing stock ages, it requires maintenance, repairs, and upgrades to remain safe, healthy, cost efficient to operate, and to conserve water and energy.</u> <u>Action 4: Maintenance of Housing Stock</u>	<u>Lower income households and affordable housing operators may not have the necessary funds to rehabilitate or upgrade their homes housing thus missing out on an opportunity to increase their home value to meet current needs.</u>	<u>Action 4: Maintenance of Housing Stock</u> Conduct outreach to single-family home residential care facilities to determine interest in and feasibility of including these properties in future CDBG/HOME Notices of Funding Availability to address rehabilitation and emergency repairs. Assist approximately 200 low, very low, and extremely <u>low-income</u> homeowners with rehabilitation and emergency repair assistance through loans and grants. Promote NOFA process for installation of HVAC improvements for sensitive populations especially seniors.	<u>2024</u> ⁴³	Citywide	<u>MEDIUM</u>

Issues	Contributing Factors	Actions / Objectives (Specific Commitments)	Timeline / Metrics	Geographic Targeting	Priority (Low, Medium, High)
<u>Income restricted housing can be at-risk of converting to market rate when subsidies or affordability requirements expire leaving less affordable housing options available.</u>	<u>Rising inflation, labor and material costs are making income restricted housing more costly to maintain and operate.</u>	<u>Action 5: Preservation of Assisted and N.O.A.H. Rental Housing</u> Extend the affordability of at risk low income housing units when funding is available by assisting property owners of income restricted units with capital improvements to the property, monitoring the risk of naturally occurring affordable housing , establishing and maintaining contact with public and nonprofit agencies who may acquire at-risk units, and working with owners of at-risk housing to restructure loans to extend affordability restrictions.	Annually	Citywide	<u>MEDIUM</u>
<u>When housing is in short supply, tenants are less likely to report code violations for fear of retaliation and eviction.</u>	<u>Some property owners choose to defer maintenance costs to increase financial gain.</u> <u>Code enforcement violations can arise when housing stock is not appropriately conserved and rehabilitated in a timely manner.</u>	<u>Action 7: Code Enforcement Program</u> <u>Establish multi-family residential housing inspection and educational programs that are self-funded and proactively respond to housing code violations. The City will also provide special attention to maintaining the stability of residential neighborhoods through development of minimum standards of allowed use of the City's streets, as well as maintenance of front and other yard areas visible from the public right-of-way.</u>	<u>By second half of 2024</u>	<u>Citywide with a proactive focus in census tracts with concentrations of persons with disabilities, disproportionate housing needs, and overcrowding.</u>	<u>MEDIUM</u>
Action 7: Code Enforcement Program	Code enforcement violations can arise when housing stock is not appropriately conserved and rehabilitated in a timely manner.	Establish a pilot multi family residential housing inspection and educational program self funded through fees. Provide special attention to maintaining the stability of residential neighborhoods through development of minimum standards of allowed use of the City's streets, as well as maintenance of front and other yard areas visible from the public right of way. And the City will proactively respond to housing code violations.	By second half of 2024	Citywide with a proactive focus in eensus tracts with concentrations of persons with disabilities, disproportionate housing needs, and overcrowding.	



Issues	Contributing Factors	Actions / Objectives (Specific Commitments)	Timeline / Metrics	Geographic Targeting	Priority (Low, Medium, High)
Targeted Fair Housing Outreach					
Action 8: Neighborhood Relations Programs <u>A forum is needed to gather community input on challenges and solutions relating to fair housing, CDBD/HOME investments, homelessness, and neighborhood issues.</u>	<u>Homelessness is caused by a complex set of factors and affects a wide variety of community members and requires coordination among a wide range of service providers.</u> University students can have specific housing needs or living arrangements which are not always in line with existing neighborhood development.	<u>Action 8: Neighborhood Relations Programs</u> Utilize the newly formed <u>Form a</u> Housing Commission to advise on CDBG and HOME grant administration for capital projects and community services, and on the City's homelessness response efforts. Improve the maintenance of student-occupied homes to minimize impacts on neighborhoods surrounding Santa Clara University. As well as hold meetings with student tenants, landlords the University, and the City to address neighborhood issues and concerns. And ensure that student housing development is compatible with existing neighborhoods.	Early 2023	Citywide and in neighborhoods surrounding Santa Clara University.	<u>MEDIUM</u>
<u>Homelessness in Santa Clara has increased in recent years creating hardship for unhoused residents and quality of life impacts for the broader community. Action 17: Homeless Services</u>	Homeless <u>Insufficient affordable rental housing</u> <u>Insufficient interim and supportive housing</u> <u>Insufficient access to health care, behavioral health care, substance abuse programs, and other safety net social services.</u> residents have specific housing needs which require a multi-faceted programmatic response.	<u>Action 1: Provision of a Variety of Housing Types</u> <u>Increase access to interim housing units, rapid rehousing, and emergency shelter beds by 30% from 453 in 2023 to 589 in 2030.</u> <u>Action 17: Homeless Services</u> Adopt and begin implementation of the City's Homelessness Response Plan. Continue to provide street outreach especially to at-risk youth, seniors, and persons with disabilities <u>to connect residents with VISPDAT assessment, emergency shelter, case management, and basic needs services.</u>	Early-Late 2023	Citywide with proactive outreach where encampments and RV parking is located at tent and RV/vehicle encampments.	High <u>IGH</u>

Issues	Contributing Factors	Actions / Objectives (Specific Commitments)	Timeline / Metrics	Geographic Targeting	Priority (Low, Medium, High)
<u>Landlords and tenants are not always aware of recent state law changes related to source of income discrimination, no cause eviction, noticing and more.</u>	<p><u>Landlord tenant laws have changed in recent years.</u></p> <p><u>Landlords and tenants are not always educated about changes or know when they apply.</u></p>	<p><u>Action 16: Fair Housing Program</u></p> <p><u>Bring forward a proposal for City Council consideration to write an ordinance that requires landlords to provide a City approved multilingual brochure to all tenants with every lease signing that summarizes landlord and tenant rights under state law. If the ordinance is approved, conduct a series of educational workshops with local landlords and tenants.</u></p>	<u>December 2025</u>	<u>Citywide</u>	<u>MEDIUM</u>
<u>It is difficult for special needs residents to find and apply for affordable housing.</u>	<p><u>A regional “universal housing application” system is still under development.</u></p> <p><u>Housing applications are increasingly online, but a digital divide persists.</u></p> <p><u>Language access barriers,</u></p> <p><u>Nonprofit staff and social workers may require additional training to help clients navigate the complex web of housing providers.</u></p>	<p><u>Action 2 and 16:</u></p> <p><u>Plan in-person events to educate and assist seniors and special needs groups (including persons with limited English proficiency) —on using the City’s housing application system and/or BAHFA’s regional housing portal once it is available in Santa Clara County</u></p> <p><u>Work with Project Sentinel to improve the City’s webpage to include more landlord/tenant rights, reasonable accommodation rights, resources and contact information in a format that is easily translatable using a web browser.—cfair housing services and nonprofit partners (e.g., Project Sentinel).</u></p> <p><u>Explore the creation of an ordinance that requires landlords to provide a City approved multilingual brochure to all tenants with every lease signing that summarizes landlord and tenant rights under state law.</u></p> <p><u>Plan outreach —to help Eevaluate the need for shared housing services, explore ways to increase access to senior housing, exwouimprove staff capacity told—help seniors and special needs groups navigate the housing market and find subsidized housing, evaluate the need for shared housing services, and continue to support the creation of new shared housing for lower income persons with developmental disabilities.</u></p>	<u>-Two times per year</u>	<u>Citywide</u>	<u>MEDIUM</u>



SANTA CLARA
HOUSING ELEMENT

This page was left intentionally blank.

<u>Introduction and Overview of AB 686.....</u>	<u>1</u>
<u>Local Knowledge:.....</u>	<u>2</u>
<u>Assessment of Fair Housing.....</u>	<u>3</u>
<u>Fair Housing and Housing Resources</u>	<u>4</u>
<u>Assessment of Fair Housing Issues</u>	<u>8</u>
<u>AFFH Analysis of the Sites Inventory.....</u>	<u>76</u>
<u>Contributing Factors.....</u>	<u>83</u>

List of Tables

<u>Table 13.3-1: Fair Housing Providers in Santa Clara County and Santa Clara</u>	<u>5</u>
<u>Table 13.3-2: Number of DFEH Housing Complaints in Santa Clara County (2020).....</u>	<u>7</u>
<u>Table 13.3-3: Number of FHEO Filed Cases by Protected Class in Santa Clara County (2015–2020)</u>	<u>7</u>
<u>Table 13.3-4: Racial/Ethnic Dissimilarity Trends (1990–2020)</u>	<u>10</u>
<u>Table 13.3-5: Racial Composition Santa Clara County and Santa Clara (2019).....</u>	<u>12</u>
<u>Table 13.3-6: Racial/Ethnic Dissimilarity Trends within Santa Clara</u>	<u>13</u>
<u>Table 13.3-7: Racial Isolation Index Values for Segregation within Santa Clara.....</u>	<u>16</u>
<u>Table 13.3-8: Divergence Index Scores within Santa Clara County</u>	<u>17</u>
<u>Table 13.3-9: Populations of Persons with Disabilities– Santa Clara County & Santa Clara</u>	<u>21</u>
<u>Table 13.3-10: Population with Developmental Disabilities by Age</u>	<u>24</u>
<u>Table 13.3-11: Adults with Developmental Disabilities by Residence</u>	<u>25</u>
<u>Table 13.3-12: Households with Children in Santa Clara County and Incorporated Cities.....</u>	<u>26</u>
<u>Table 13.3-13: Santa Clara County & Santa Clara Households by Income Category and Tenure.....</u>	<u>31</u>
<u>Table 13.3-14: White Population and Median Household Income of RCAAs in Santa Clara County</u>	<u>41</u>
<u>Table 13.3-15: Domains and List of Indicators for Opportunity Maps.....</u>	<u>44</u>
<u>Table 13.3-16: Opportunity Indices by Race/ Ethnicity – Santa Clara County</u>	<u>49</u>
<u>Table 13.3-17: Demographics of Households with Housing Problems in Santa Clara County....</u>	<u>67</u>
<u>Table 13.3-18: Household Type & Size in Santa Clara County.....</u>	<u>67</u>
<u>Table 13.3-19: Households that Experience Cost Burden by Tenure in Santa Clara County and Santa Clara</u>	<u>69</u>



SANTA CLARA HOUSING ELEMENT

<u>Table 13.3-20: Overcrowded Households – Santa Clara County and Santa Clara</u>	<u>71</u>
<u>Table 13.3-21: Substandard Housing Conditions – Santa Clara County and Santa Clara</u>	<u>73</u>
<u>Table 13.3-22: Sites Inventory Units by HCD/TCAC Opportunity Map Area</u>	<u>78</u>
<u>Table 13.3-23: AFFH Meaningful Actions Matrix.....</u>	<u>83</u>

List of Figures

<u>Figure 13.3-1: Regional Racial Demographics (2021).....</u>	<u>12</u>
<u>Figure 13.3-2: Racial Demographics of Santa Clara (2021).....</u>	<u>15</u>
<u>Figure 13.3-3: Predominant population of Santa Clara (2017-2021)</u>	<u>16</u>
<u>Figure 13.3-4: HOLC Redlining Map (1937).....</u>	<u>20</u>
<u>Figure 13.3-5: Regional Populations of Persons with Disabilities by Tract (2019).....</u>	<u>23</u>
<u>Figure 13.3-6: Percent of Population with a Disability – Santa Clara (2021)</u>	<u>24</u>
<u>Figure 13.3-7: Regional Percentage of Children in Married-Couple Households by Tracts (2019)</u> <u>.....</u>	<u>27</u>
<u>Figure 13.3-8: Percent of Children in Married-Couple Households – Santa Clara (2021)</u>	<u>28</u>
<u>Figure 13.3-9: Regional Percent of Children in Female-Headed Households by Tract (2019).....</u>	<u>29</u>
<u>Figure 13.3-10: Percent of Children in Female Headed Households – Santa Clara (2021)</u>	<u>30</u>
<u>Figure 13.3-11: Regional Concentrations of LMI Households by Tract (2015).....</u>	<u>32</u>
<u>Figure 13.3-12: Population with Low to Moderate Income Levels – Santa Clara (2021)</u>	<u>33</u>
<u>Figure 13.3-13: Regional Housing HCV Concentration by Tract (2021).....</u>	<u>35</u>
<u>Figure 13.3-14: Housing Choice Vouchers – Santa Clara (2021).....</u>	<u>36</u>
<u>Figure 13.3-15: Regional Median Gross Rent/ Affordability Index by Tract (2021).....</u>	<u>37</u>
<u>Figure 13.3-16: Location Affordability Index – Santa Clara (2021)</u>	<u>38</u>
<u>Figure 13.3-17: Regional Racially and Ethnically Concentrated Areas of Poverty “R/ECAPs”</u> <u>(2021).....</u>	<u>39</u>
<u>Figure 13.3-18: Racially or Ethnically Concentrated Areas of Poverty “R/ECAPs” – Santa Clara</u> <u>(2021).....</u>	<u>40</u>
<u>Figure 13.3-19: Regional Median Income by Block Group (2021)</u>	<u>41</u>
<u>Figure 13.3-20: Median Income – Santa Clara (2021)</u>	<u>42</u>
<u>Figure 13.3-21: Regional TCAC Composite Scores by Tract (2021)</u>	<u>45</u>

Figure 13.3-22: TCAC Opportunity Areas – Composite Score – Santa Clara (2021)	46
Figure 13.3-23: Sites inventory, Existing Affordable Housing, and TCAC Opportunity Areas – Composite Score – Santa Clara (2023)	47
Figure 13.3-24: Regional TCAC Education Scores (2021)	51
Figure 13.3-25: TCAC Opportunity Areas – Education Score – Santa Clara (2021)	52
Figure 13.3-26: Public School Rankings (2021)	52
Figure 13.3-27: Regional Public Transit Access (2021)	55
Figure 13.3-28: VTA Transit Map (2023)	56
Figure 13.3-29: Valley Hopper Service Area (2023)	57
Figure 13.3-30: Regional Jobs Proximity Index (2021)	58
Figure 13.3-31: Regional TCAC Opportunity Areas – Economic Score (2021)	59
Figure 13.3-32: Jobs Proximity Index – Santa Clara (2021)	60
Figure 13.3-33: TCAC Opportunity Area – Economic Score – Santa Clara (2021)	60
Figure 13.3-34: Regional TCAC Opportunity Areas – Environmental Score (2021)	62
Figure 13.3-35: Regional CalEnviroScreen 4.0 (2021)	63
Figure 13.3-36: CalEnviroScreen 4.0 – Santa Clara (2021)	64
Figure 13.3-37: Regional Healthy Places Index (2021)	65
Figure 13.3-38: Healthy Places Index – Santa Clara (2021)	66
Figure 13.3-39: Regional Overpayment by Renters (2021)	68
Figure 13.3-40: Overpayment by Renters – Santa Clara (2021)	69
Figure 13.3-41: Regional Overcrowded Households by Tract (2015)	70
Figure 13.3-42: Concentration of Overcrowded Households – Santa Clara (2021)	72
Figure 13.3-43: Regional Sensitive Communities at Risk of Displacement by Tract (2021)	74
Figure 13.3-44: Sensitive Communities (UCB, Urban Displacement Project) – Santa Clara (2021)	75
Figure 13.3-45: Northern and Central Santa Clara Sites inventory and Land Use	79
Figure 13.3-46: Northern and Central Santa Clara Sites inventory and TCAC Opportunity Areas	80
Figure 13.3-47: Southern Santa Clara Site Inventory and Land Use	81
Figure 13.3-48: Southern Santa Clara Sites inventory and TCAC Opportunity Areas	82



**SANTA CLARA
HOUSING ELEMENT**

Chapter 13.4

Housing Needs Assessment

Population and Employment Trends

Housing needs are influenced by population and employment trends. This section provides a summary of changes to the population size, age, and racial/ethnic composition of the City of Santa Clara. Moreover, to gain a deeper understanding of the housing needs in the City, an evaluation of the intersection of these demographic characteristics with housing statistics such as housing type and tenure, condition, cost, and vacancy provides the necessary bases for a proper housing needs assessment.

Current Population and Population Growth

Santa Clara, incorporated in 1852, is known as “The Mission City”, reflecting its place as an early California settlement dating to 1777. Santa Clara has a rich agricultural past that extends from that early settlement period almost two centuries forward. However, the post-World War II housing boom and just as significantly, the emergence of the electronics industry in the early 1950s, rapidly transformed the community. Between 1950 to 1990, the population of Santa Clara ballooned from 11,702 to 93,000. Today, Santa Clara lies in the heart of the Silicon Valley and continues to grow as the technology industry continues to expand.

From 2010 to 2020, Santa Clara’s population grew by approximately nine percent, from 116,468 to 127,000 residents. During the same period, Santa Clara County as a whole grew by 10 percent. The Association of Bay Area Governments (ABAG) growth forecasts predict a steady increase in population through 2040. From 2020 to 2040, ABAG estimates that the City’s population will grow by 25.6 percent, staying relatively on track with the countywide projected growth of 31.09 percent (Table 13.4-1).

Table 13.4-1: Population Growth and Projected Growth

	2010	2020	2040	% Change	% Change
				2010-2020	2020-2040
Santa Clara	116,468	127,647	159,500	9.6%	25 %
Santa Clara County	1,781,642	1,936,259	2,538,320	8.67%	31.09%

Source(s): ACS QuickFacts



SANTA CLARA
HOUSING ELEMENT

In addition to population projections, several other demographic characteristics and trends define housing needs. Among these characteristics are age composition, racial and ethnic composition, and employment (Table 13.4-2).

Table 13.4-2: Age, Race and Ethnicity, and Employment by Industry

<i>Demographic Profile</i>	<i>2010</i>	<i>Percentage</i>	<i>2019</i>	<i>Percentage</i>
Age				
0-4	9,092	7.8%	8,730	7%
5-14	12,410	11%	13,267	10%
15-24	15,783	13.5%	17,822	14%
25-34	23,016	20%	26,932	21%
35-44	18,860	16%	19,874	16%
45-54	14,987	13%	15,025	12%
55-64	10,641	9%	11,557	9%
65-74	5,951	5%	8,056	6%
75-84	3,950	3%	4,316	3%
85+	1,778	2%	2,142	2%
Median Age	34.6		33.9	
Total Population	116,468		127,721	
Race/Ethnicity				
White (non-Hispanic)	42,026	36%	40,282	32%
Hispanic	22,589	19%	22,116	17%
Black	2,929	3%	3,697	3%
Asian/Pacific Islander	44,135	38%	55,905	44%
Other	4,549	4%	5,538	7%
Total Population	116,228		127,538	
Employment by Industry				
Educational services, and health care and social assistance	9,529	17%	13,420	19%
Retail trade	4,984	9%	5,004	7%
Manufacturing	11,778	21%	12,918	19%
Professional, scientific, and management, and administrative and waste management services	12,595	22%	19,573	28%
Construction	2,295	4%	1,997	3%
Arts, entertainment, and recreation, and accommodation and food services	3,963	7%	5,427	8%
Finance and insurance, and real estate and rental and leasing	2,473	4%	2,356	3%

Table 13.4-2: Age, Race and Ethnicity, and Employment by Industry

<i>Demographic Profile</i>	<i>2010</i>	<i>Percentage</i>	<i>2019</i>	<i>Percentage</i>
Other services, except public administration	2,070	4%	2,036	3%
Transportation and warehousing, and utilities	1,582	3%	2,170	3%
Public Administration	1,706	3%	1,494	2%
Wholesale Trade	1,164	2%	1,505	2%
Information	2,879	5%	4,148	6%
Agriculture, forestry, fishing and hunting, and mining	157	0.3%	122	0.2%
Total Employment	57,175		72,170	

Source(s): US Census Bureau 2010, American Community Survey 2014-2019 5-year estimate

Age

Population age distribution serves as an important indicator of housing needs because housing needs and preferences change as individuals or households grow older. Young families tend to focus more on cost and the ability to become first-time homebuyers. Table 13.4-2 shows the age groups of Santa Clara residents. The largest age group in 2010 was residents aged 25 to 34 at 20 percent. In 2010, the second largest age group was residents aged 35 to 44, at 16 percent. This trend stayed consistent in 2019, with the largest percentage of residents falling in the 25 to 34 age group, at 21 percent. The second largest age group in 2019 was residents aged 35 to 44, at 16 percent.

The median age in Santa Clara is 33.9 years. Compared with the County (37.4 years) and the state (36.5 years), the City's population is younger. The large population of young adults means that demand for larger homes for families will likely continue to grow as residents move out of smaller homes and apartments and raise families.

Race and Ethnicity

Table 13.4-2 shows the racial/ethnic distribution of population in Santa Clara. Asian (43.2 percent) and White (non-Hispanic) (31.5 percent) residents make up most of the population. This breakdown is reflective of Santa Clara County, which is mostly Asian (36.5 percent) and White (31.5 percent) residents. The racial makeup of Santa Clara has stayed mostly consistent since 2010. The two largest racial groups in 2010 were Asian (38 percent) and White (36 percent). From 2010 to 2019, the White and Hispanic populations decreased while the Asian population increased, and the other racial groups stayed consistent. For example, the City of Santa Clara's Black or African American residents makes up 3 percent of the population, just over Santa Clara County's Black or African American population of 2.5 percent.



Employment

Santa Clara has 13,420 workers living within its borders who work across 13 major industrial sectors. Table 13.4-2 provides detailed employment information. Many Santa Clara residents work in professional, scientific, and management, and administrative and waste management services (19,573, 28 percent of total), reflects the predominant technology industry of Silicon Valley. The second largest industries are educational services, and health care and social assistance (19 percent) and manufacturing (19 percent). Between 2010 to 2019 the number of residents employed in educational services, health care, and social assistance and professional, scientific, and management, and administrative and waste management services increased, while the number of residents employed in manufacturing decreased.

These trends are important to understand, as certain industries are generally associated with lower median earnings. In the City, the median income for professional, scientific, and management, and administrative and waste management services is \$100,235. The median income for manufacturing is \$103,951, while the median income for educational services, health care, and social assistance is considerably lower at \$45,931. The 10 principal employers in Santa Clara are presented in Table 13.4-3.

Table 13.4-3: 10 Principal Employers, 2020

Employer	Number of Employees	Percentage
Applied Materials, Inc.	8,500	22.8%
Intel Corporation	7,801	20.9%
Advanced Micro Devices Inc.	3,000	8.0%
California's Great America	2,500	6.7%
Avaya Inc.	2,000	5.4%
Santa Clara University	2,000	5.4%
City of Santa Clara	1,973	5.3%
Kaiser Foundation Hospitals	1,459	3.9%
Macy's	1,200	3.2%
Catalyst Semiconductor Inc.	1,100	2.9%

Source(s): City of Santa Clara Comprehensive Annual Financial Report, June 30, 2020

Household Characteristics

The characteristics of a community's households impact the type and tenure of housing needed in that community. Household type, income levels, the presence of special needs populations, and other household traits are all factors that affect the housing needs of a community and the strategies that the community must deploy to meet those needs.

Characteristics for Santa Clara households are summarized in Table 13.4-4. The number of households in Santa Clara have increased by 2,346 from 42,323 in 2010 to 44,669 in 2019. Renter-

occupied households increased by 2,566 from 22,960 households in 2010 to 25,525 in 2019. Owner-occupied households decreased by 220 from 19,363 households in 2010 to 19,143 in 2019.

Table 13.4-4: Household Characteristics by Tenure

<i>Household Characteristic</i>	<i>Owner Households</i>	<i>Renter Households</i>	<i>All Households</i>
Number of Households ¹	19,143 (42.8%)	25,526 (57%)	44,669
Median Household Income ¹	\$155,718	\$108,435	\$126,006
Household Income Categories²			
Extremely Low Income (0-30% AMI)	1,339 (7%)	4,123 (16.7%)	5,462 (12.5%)
Very Low Income (30-50% AMI)	1,853 (9.8%)	3,215 (13.3%)	5,068 (11.6%)
Low Income (50-80% AMI)	1,884 (10%)	2,540 (10.3%)	4,424 (10%)
Moderate Income (80-100% AMI)	1,480 (7.8%)	2,185 (9%)	3,665 (8.4%)
Above Moderate Income (100% + AMI)	12,265 (65%)	12,544 (50.9%)	24,809 (57%)
Total	18,821	24,607	43,428
Overpayment			
All Households Overpaying for Housing	1,900 (10%)	5,365 (21%)	7,265 (16.4%)
Lower Income Households Overpaying for Housing (*0-80%) ²	1,670 (36%)	5,265 (55%)	6,935 (49%)

Source(s):

1 US Census Bureau, American Community Survey 2014-2019 5-year estimates

2 U.S. Department of Housing and Urban Development Comprehensive Housing Affordability Strategy (CHAS) Tables 2013-2017

Income

According to the 2019 American Community Survey (ACS), the median household income for the City of Santa Clara was \$126,006, which is slightly higher than the Santa Clara County median household income of \$124,055. Median household income differs by tenure; in the City, owner households have a significantly higher median income than renter households (a difference of \$47,283).

Census data estimates that 6.7 percent of the Santa Clara population lives in poverty, as defined by federal guidelines. This proportion is lower than in Santa Clara County, where 7.5 percent of residents live in poverty. Poverty thresholds vary by household type. In Santa Clara, the percentage of persons living in poverty is higher for Black residents, with 9.3 percent living in poverty, and much higher for female householders with no spouse present, at 16.7 percent.



SANTA CLARA HOUSING ELEMENT

Because poverty thresholds do not differ based on geographic differences, a better measure to understand income disparities can be to identify various percentages compared to the median income for a particular area. For housing planning and funding purposes, the Department of Housing and Urban Development (HUD) uses five income categories to evaluate housing need based on the Area Median Income (AMI) for the county:

- Extremely Low-Income Households earn 0-30 percent of AMI
- Very Low-Income Households earn 30-50 percent of AMI
- Low-Income Households earn 50-80 percent of AMI
- Moderate-Income Households earn 80-100 percent of AMI (HCD uses 120%)
- Above Moderate-Income Households earn over 100 percent of AMI (HCD uses 120%+)

Comprehensive Housing Affordability Strategy (CHAS) data provides special Census tabulations (developed for HUD) and calculates household income adjusted for family size and tenure. As shown in Table 13.4-4, in Santa Clara above moderate-income households make up the largest share of all households (57 percent), and extremely low-income households represent the second largest category (12.5 percent). Income also differs by tenure; as indicated in Table 13.4-4, more renter households are in the lower-income categories (0-80 percent AMI) than owner households.

Housing Overpayment

State and federal standards specify that households spending more than 30 percent of gross annual income on housing experience a housing cost burden. Housing cost burdens occur when housing costs increase faster than household income. When a household spends more than 30 percent of its income on housing costs, it has less disposable income for other necessities such as health care, child-care, and food. In the event of unexpected circumstances such as loss of employment or health problems, lower-income households with a housing cost burden are more likely to become homeless or double up with other households. In Santa Clara, 16.4 percent of households are overpaying for housing, with owner households and renter households overpaying 10 percent and 21 percent, respectively. Lower-income households have a much higher rate of overpayment at 49 percent whether it is an owner household or a renter household.

Extremely Low Income (ELI) Households

HCD defines ELI households as “a subset of very low income households. . . defined as 30 percent (or less) of the area median income”. As stated above, ELI households make up 12.5 percent of all households in Santa Clara with more renter households than owner households (16% and 7% respectively). Lower income households experience overpayment at a much higher rate compared to all households. While 16 percent of all households in Santa Clara experience overpayment, lower income households experience overpayment by almost 50 percent. Lower income owner households are overpaying by 36 percent while lower income renter households

are overpayment by 55 percent. Stakeholder outreach for the Housing Element and the City's Homelessness Taskforce in 2022 indicated that ELI housing is sorely needed by a wide variety of groups including persons with disabilities, elderly adults, and persons who are at risk of becoming homeless. Many stakeholders shared that "low-income housing" isn't affordable anymore as income limits continue to increase with area median income. More ELI and VLI units are needed to assist residents whose income is not keeping pace with HCD income limits and inflation.

The City of Santa Clara adopted the Affordable Housing Ordinance in 2018 which required rental projects of 10 or more units to provide at least 15 percent of the units at affordable rental prices to extremely low, very low, and low income households. These units must also remain a part of the affordable rental program for fifty-five years. The distribution of affordable units must average to a maximum of one hundred percent (100%) area median income so the number of ELI units that are produced through inclusionary housing is limited.

In 2019 the City selected HouseKeys, Inc. as the City's affordable housing administrator, to create a "one stop shop" for new affordable rental and ownership opportunities in Santa Clara and to help with compliance monitoring. The City also updates an Affordable Housing Resource Guide twice per year which provides resources for emergency housing support, organizations that provide rental assistance, homeowner programs, and a list of affordable housing properties throughout the City. A list of existing properties with ELI units is included below in Table 5. The 233 existing ELI income restricted units is far lower than the 5,462 ELI households in Santa Clara.

The City has also worked to develop actions that specifically address extremely low and very low-income households which may experience greater cost burden. Action 2 in the housing plan will look at updating the Citywide affordable ordinance to support deeper affordability requirements. Action 3 facilitates the development efforts for constructing affordable housing for lower income households particularly special needs groups. Action 6 explores funding sources to support affordable housing developers with acquiring and rehabilitating multi-family structures. Action 12 explores additional resources for providing funding for affordable housing. And Action 14 advocates for additional project and person-based vouchers for seniors and other special needs groups.

Table 13.4-5: Existing Properties with Extremely Low-Income Housing Units

<i>Property Name</i>	<i>Number of ELI Units</i>	<i>Address</i>
Monroe Apartments	16	2330 Monroe Street
Calabazas Apartments	80	2904 Corvin Street
Mainline North Apartments	16	2310 Called Del Mundo
Agrihood	54	90 North Winchester Blvd.
Kifer Senior	39	3335 Kifer Road
Peacock Commons	10	3661 Peacock Ct.
Belovida Senior Apartments	9	1820 Main Street



SANTA CLARA
HOUSING ELEMENT

Cypress	5	455 N. Cypress Avenue
Presidio El Camino	4	1450 El Camino Real
TOTAL	233	

Source: City of Santa Clara

Supportive and transitional housing types which often serve extremely low income households are both permitted within R1-8L single family zones, R1-6L single family zones, duplex zones, low density multiple-dwelling zones, moderate density multiple-dwelling zones, and medium density multiple-dwelling zones.

Housing Stock Characteristics

Housing Stock

In 2022, the State Department of Finance estimated that in 2020 there were 47,004 occupied housing units in the City. Compared to 2010, the City's housing stock has increased by 3,983 units. Most of the City's housing stock is made up of multi-family units (55 percent) followed by single family units (40 percent). Census data indicates that 0.2 percent of owner units and four percent (see Table 13.4-6) of rental units are vacant, suggesting that the City should continue to increase housing construction to accommodate residents.

Construction of both single family homes (attached and detached) and multi-family homes has grown in Santa Clara since 2010. However, while single family homes have only grown by 125 units between 2010 and 2019, multi-family homes have grown by 2,641 units, likely due to the technology industry boom and the influx of younger adults moving to the area for jobs.

Table 13.4-6: Housing Stock Characteristics by Tenure – 2020

<i>Housing Characteristic</i>	<i>Owner Households</i>	<i>Renter Households</i>	<i>All Households</i>
Total Housing Units	19,271 (41%)	26,792 (57%)	47,004
Single Family Detached	No data	No data	19,543 (42%)
Single Family Attached			4,595 (9.8%)
Multi-Family Units			26,045 (55%)
Mobile home, other units			46 (.09%)
Average or median Household Size			2.65
Vacancy Rate	0.2%	4.0%	6.4%
Overcrowded Units	0.9%	5.2%	6.2%
Units Needing Replacement/Rehabilitation	N/A	N/A	None
Housing Cost – Average purchase price and monthly rent	\$1,034,000	\$2,396	N/A

Note: Total housing units does not sum to 100% due to vacant units

*Source(s): US Census Bureau, American Community Survey 2015-2019 5-year estimates,
California Department of Finance E-5 Population and Housing Estimates, 2021*

Overcrowding

In response to a mismatch between household income and housing costs in a community, some households may not be able to buy or rent housing that provides a reasonable level of privacy and space. According to both California and federal standards, a housing unit is considered overcrowded if it is occupied by more than one person per room (excluding kitchens, bathrooms, and halls). In Santa Clara, 6.2 percent of housing units are overcrowded, compared to 5.2 percent in the County. Overcrowding is much more prevalent in renter households (5.2 percent) than owner households (0.9 percent).

Housing Condition

The condition of housing stock can be an indicator of potential rehabilitation needs. Based upon observations and experiences of the Housing & Community Services Division, the City estimates that on average fewer than 10 housing units per year are in severe need of substantial rehabilitation due to housing conditions.

Housing Cost

The cost of housing in a community is directly correlated to the number of housing problems and affordability issues. High housing costs can price low-income families out of the market, cause extreme cost burdens, or force households into overcrowded or substandard conditions. The Santa Clara median home price according to 2019 ACS data is \$1,034,000. The median home price in Santa Clara County according to ACS data is \$984,000, \$50,00 lower than in the City.

According to the 2019 ACS, 57 percent of Santa Clara households are living in rental housing. Census data shows that the average rent in Santa Clara is \$2,396 per month, with most (25.7 percent) paying between \$2,000 and \$2,499 in rent. Table 13.4-6 shows that the HUD-determined fair market rents for the City of Santa Clara fall within the range of the rents within the County. Therefore, the rental rates in Santa Clara generally are less than the HUD-determined fair market rents, indicating that certain parts of Santa Clara County are potentially more expensive than local rents.



SANTA CLARA HOUSING ELEMENT

Table 13.4-7: Fair Market Rents in Santa Clara County

<i>Year</i>	<i>Efficiency</i>	<i>One-Bedroom</i>	<i>Two-Bedroom</i>	<i>Three-Bedroom</i>	<i>Four-Bedroom</i>
FY 2020 FMR	\$2,103	\$2,458	\$2,970	\$3,943	\$4,525

Source(s): FY2020 Fair Market Rents. U.S. Department of Housing and Urban Development (HUD)

According to Costar, the vacancy rate in Santa Clara in Q3 2022 was lower at 3.5% while the larger San Jose metro area's vacancy was 4.9%. In Q3 2022, vacancy for 3-bedroom units was much lower at 2.9% while vacancy for smaller unit types was closer to the overall average at 3.5%. Average effective rent per unit in Santa Clara trend higher at \$3,094 compared with \$2,880 for the larger San Jose metro area.

Table 13.4-8: Market Rents Per Unit by Bedroom – Q3 2022

<i>Year</i>	<i>Efficiency</i>	<i>One-Bedroom</i>	<i>Two-Bedroom</i>	<i>Three-Bedroom</i>
Q3, 2022	\$2,498	\$2,898	\$3,525	\$3,910

Source: Costar, November 11, 2023

Special Housing Needs

Housing-element law requires local governments to include an analysis of housing needs for residents in specific special needs groups and to address resources available to address these needs. The following analysis confirms public comments received indicating a particular need for more extremely low and very low income rental housing options for persons with disabilities, large families, seniors, and people experiencing homelessness at a scale that will require multifamily development. Based on the scale of this identified need, ore additional resources, beyond those currently available, will be requiredneeded to realize meaningful increases in housing for people with these special needs. The City's Housing Plan (Chapter 2), includes actions and objectives that will help address the gaps in resources to meet these needs.

The data and analysis below demonstrate the need to provide housing for...

Table 13.4-9: Special Needs Groups

<i>Special Needs Category</i>	<i>Count</i>	<i>Percent</i>
Persons with Disabilities ¹	8,966	7% of residents
Persons with Developmental Disabilities ²	3,246	2.7% of residents
Elderly (65+ years) ¹	14,514	11.3% of residents
	3,249 households	7.2% of households
Large Households (5+ members) ¹	4,253 households	9.5% of households
Farmworkers ¹	122	0.2% of labor force

Table 13.4-9: Special Needs Groups

<i>Special Needs Category</i>	<i>Count</i>	<i>Percent</i>
Migrant Worker Student Population	0	0% of labor force
Female Headed Households ¹	3,571 households	7.9% households
Male Headed Households	1,924 households	4.3% households
Married Couple Households	24,719 households	55% households
Householder Living Alone	1,624 households	22% households
People Experiencing Homelessness ³	326	N/A

Source(s):

1. US Census Bureau, American Community Survey 2015-2019 5-year estimates. There is no Census occupation or industry that discretely identifies an estimate for the number of farmworkers in the City of Santa Clara. This figure comes from the civilian employed population (16 years and over) in the industry that includes: agriculture, forestry, fishing and hunting, and mining.
2. California Department of Developmental Services, 2020, reflects the DDS consumer count by CA ZIP Codes 95050, 95051, 95052, 95053, 95054, 95055, 95056
3. Santa Clara County: Annual Point in Time Count Report

Persons with Disabilities including persons with Developmental Disabilities

Disabled residents face housing access and safety challenges. Disabled people, in many cases, are of limited incomes and often receive Social Security income only. As such, most of their monthly income is often devoted to housing costs. In addition, disabled persons may face difficulty finding accessible housing (housing that is made accessible to people with disabilities through the positioning of appliances and fixtures, the heights of installations and cabinets, layout of unit to facilitate wheelchair movement, etc.) because of the limited number of such units.

The following is a summary of the number of people in Santa Clara with different types of disabilities according to the 2019 ACS:

Ambulatory Difficulty	4,234
Independent Living Difficulty	3,372
Cognitive Difficulty	3,246
Self-care difficulty	1,885
Vision Difficulty	1,557

According to the 2019 ACS there are 8,966 residents with one or more of the above listed types of disabilities in Santa Clara, representing seven percent of residents. Most residents with a disability are 75 and older (47.1 percent), followed by those 65 to 74 years old (18 percent). The most commonly occurring disability amongst seniors 65 and older was an independent living



SANTA CLARA HOUSING ELEMENT

difficulty, experienced by 14.5 percent of Santa Clara's seniors. The most common disabilities for people 35-64 years old was ambulatory difficulty followed by cognitive difficulty.

For those with a developmental disability, the majority reside in the home of a parent, guardian, or family member (78 percent). The second most common living situation for individuals with a developmental disability is a community care facility (9.6 percent).

Housing Choices is a local nonprofit focused on enhancing the lives of people with developmental and other disabilities and their families by creating and supporting quality, affordable housing opportunities. Housing Choices provided the following comments relating to the needs of developmentally disabled residents in Santa Clara County:

- Between September 2015 and June 2021, the Department of Developmental Services reported that the number of Santa Clara County residents with developmental disabilities age 62 and older grew by 35 percent. This increase is generally attributable to gains in life span which likely means that more adults with developmental disabilities will outlive their parents and family members who are by far the single largest source of housing for people with developmental disabilities in the City of Santa Clara.
- Because older adults currently occupying a licensed facility in Santa Clara County are living longer, this reduced rate of occupant turnover, coupled with closing facilities, will make it more difficult for middle-aged and senior adults who have been living with aging parents in the City of Santa Clara to transition to licensed care when their parents pass away. Notwithstanding 20 percent growth in Santa Clara County's total population of adults with developmental disabilities, the Department of Developmental Services has documented a 15 percent decline in the age group 42 to 51 in Santa Clara County between September 2015 and June 2021. In light of gains in life expectancy, this loss can reasonably be attributed to displacement from the county because of the lack of residential living options (either licensed facilities or affordable housing) when an elderly family caregiver passes away or becomes unable to house and care for the adult. Displacement takes a particular toll on adults with developmental disabilities who depend on familiarity with transit routes and shopping and services, as well as support from community-based services and informal networks built up over years of living in Santa Clara.

Santa Clara has responded to the need for community care facilities and there are several group homes and independent living options for Santa Clara residents with disabilities, shown in table 10 below. Action 18 in the housing plan will explore ways to increase special needs housing and support the creation of new shared housing options for residents with disabilities. Table 13.3-10 indicates there are only 56 units of income restricted housing set aside for persons with developmental disabilities in the Santa Clara area. This represents approximately 1.7% of the 3,246 people who have cognitive disabilities in Santa Clara. To meet rising demand, a 35% increase would require the construction of 76 new housing units for this special needs group. Given the scale of this need, multifamily housing options would be needed.

Table 13.4-10: Housing Properties for Persons with Disabilities

<i>Property Name</i>	<i>Number of Units</i>	<i>Address</i>
Group Homes		
Briarwood Cooperative	Shared single-family home with private bedrooms for 4 individuals with developmental disabilities	2114 Briarwood Drive Santa Clara, CA 95051
De La Cruz Cooperative	Shared single-family home with private bedrooms for 4, individuals with developmental disabilities	3779 De La Cruz Boulevard Santa Clara, CA 95054
Various Locations Life Services Alternative	3 five-person group homes for persons with physical or developmental disabilities	260 W. Hamilton Avenue Campbell, CA 95008
Independent Living		
Estancia	90 apartments (1 BR, 2 BR, 3 BD) for individuals with developmental disabilities	1650 Hope Drive Santa Clara, CA 95054
Rivertown Apartment	15 apartments (2 BR, 3 BD) for individuals with developmental disabilities	1340 Hope Drive Santa Clara, CA 95054
Stoney Pine Villa	12 one-bedroom units, 8 two-bedroom units, 3 three-bedroom units	267 W California Street Sunnyvale, CA 94086
<u>Monroe Commons (Under Construction)</u>	<u>10 of the 40 apartments will be set aside for persons with developmental disabilities.</u>	<u>2330 Monroe Street Santa Clara, CA 95050</u>

Source: City of Santa Clara:

Elderly (65+ years)

Many senior-headed households have special needs due to their relatively low incomes, disabilities or limitations, and dependency needs. Specifically, many people aged 65 years and older live alone and may have difficulty maintaining their homes, are usually retired, and living on a limited income, and are more likely to have high health care costs and rely on public transportation, especially those with disabilities. The limited income of many elderly persons often makes it difficult for them to find affordable housing. There are 3,249 households headed by elderly residents, representing 7.2 percent of total households in Santa Clara. Of all the age groups in Santa Clara, elderly residents experience poverty at a lower rate (7.8 percent) than those aged 18 to 34 (8.8 percent) which is counter to trends in other cities where elderly residents are more likely to be low income. Seniors may experience specific housing needs and require special assistance in their living situations. The City of Santa Clara has several housing properties dedicated to seniors, including options for seniors who are more active and those who require assisted living. These properties are detailed in Table 13.4-11 below. [Table 13.4-11 indicates that](#)



SANTA CLARA
HOUSING ELEMENT

there are only 736 housing units for lower income seniors in Santa Clara. This represents approximately 13% of the 5,645 extremely low and very low-income seniors in Santa Clara as summarized in Table 13.4-13. The scale of need for senior housing indicates that more multifamily affordable rental housing with varying levels of support services will be needed. A twenty percent increase would translate into 148 new affordable units for seniors. To create deeply affordable service enriched senior housing, additional sources of federal funding and vouchers will be needed.

Table 13.4-11: Housing Properties for Seniors

<i>Property Name</i>	<i>Number of Units</i>	<i>Address</i>
Active Seniors		
Belovida	27 one-bedroom units for seniors age 62 and older	1820 Main Street Santa Clara, CA 95050
Bracher Apartment	72 one-bedroom units for seniors age 62 and older	2665 South Drive Santa Clara, CA 95051
Camino del Rey	48 one-bedroom units for seniors age 55 and older	2525 El Camino Real Santa Clara, CA 95051
Gateway Santa Clara	40 one-bedroom units, 2 two-bedroom units for seniors age 55 and older	1000 El Camino Real Santa Clara, CA 95050
John Burns Gardens	95 one-bedroom units, 5 two-bedroom units for seniors age 62 and older	820 Agnew Road Santa Clara, CA 95054
Liberty Tower	60 studios, 41 one-bedroom units for seniors age 62 and older	890 Main Street Santa Clara, CA 95050
Valley Village	80 studios, 80, one-bedroom units, 140 two- bedroom units for seniors age 62 and older	390 N Winchester Boulevard Santa Clara, CA 95050
<u>Agrihood (Under Construction)</u>	<u>109 apartments (studios, one-bedroom units, 2-bedroom units)</u>	<u>90 N. Winchester Blvd. Santa Clara, CA 95050</u>
<u>Kifer Senior Apartments (Under Construction)</u>	<u>30 studios, 45 one bedrooms, and 5 two bedrooms for formerly chronically homeless seniors and very low income seniors</u>	<u>3335 Kifer Road Santa Clara, CA 95051</u>
Assisted Living		
Pacific Gardens	21 beds for seniors age 55 and older	2384 Pacific Drive Santa Clara, CA 95051

Source: City of Santa Clara:

Tables 13.4-12 and 13.4-13 demonstrate that lower income (0-50% AMI) senior households are cost-burdened (30-50% of income used for housing) or severely cost-burdened (50%+ income used for housing) at a much higher rate compared to all other senior households. 86 percent of

ELI (0-30% AMI) and 50.6% of VLI (31-50% AMI) senior households are cost-burdened or severely cost-burdened.

Table 13.4-12: Senior Households by Income and Tenure

<i>Income Group</i>	<i>Owner Occupied</i>	<i>Renter Occupied</i>
<u>0 – 30% AMI</u>	<u>755</u>	<u>1,435</u>
<u>31 – 50% AMI</u>	<u>1,115</u>	<u>525</u>
<u>51 – 80% AMI</u>	<u>880</u>	<u>284</u>
<u>81 – 100% AMI</u>	<u>465</u>	<u>165</u>
<u>Greater than 100% AMI</u>	<u>1,680</u>	<u>380</u>
<u>Totals</u>	<u>4,895</u>	<u>2,789</u>

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

Notes: For this table, senior households are those with a householder who is aged 62 or older

Table 13.4-13: Cost-Burdened Senior Households by Income Level

<i>Income Group</i>	<i>0 – 30% Income Used for Housing</i>	<i>30 – 50% Income Used for Housing</i>	<i>50%+ Income Used for Housing</i>
<u>0 – 30% AMI</u>	<u>305</u>	<u>415</u>	<u>1,470</u>
<u>31 – 50% AMI</u>	<u>810</u>	<u>370</u>	<u>460</u>
<u>51 – 80% AMI</u>	<u>915</u>	<u>185</u>	<u>64</u>
<u>81 – 100% AMI</u>	<u>515</u>	<u>90</u>	<u>25</u>
<u>Greater than 100% AMI</u>	<u>1,895</u>	<u>145</u>	<u>20</u>
<u>Totals</u>	<u>4,440</u>	<u>1,205</u>	<u>2,039</u>

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

Notes: For this table, senior households are those with a householder who is aged 62 or older. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is “select monthly owner costs”, which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income.



Large Households (5+ members)

Large households, defined by HCD as households containing five or more persons, have special housing needs due to the limited availability of adequately sized, affordable housing units. Larger units can be very expensive; as such, large households are often forced to reside in smaller, less expensive units or double-up with other families or extended families to save on housing costs, both of which may result in unit overcrowding. There are 4,253 large households in Santa Clara representing 9.5 percent of all households. A larger percentage of renter households (5 percent) are defined as large households as compared to owner households (4.5 percent).

In Santa Clara, 3.2 percent of families are living in poverty. For large households with five or six family members 2.7 percent live in poverty, this rate goes up drastically for families with seven or more people (7.1 percent). Table 12 below shows household size by tenure in Santa Clara. Two-person households make up the largest number of households with 32.5% being owner households and 34% being renter households.

The City's affordable rental housing portfolio contains 99 three-bedroom units and 8 four-bedroom units for larger households with five or more persons in Santa Clara. This represents approximately 4.7% of the 2,257 large families who rent in Santa Clara as summarized in Table 13.4-14. Data is not available on how many of these large households are lower income, but community outreach has indicated there is a need for larger affordable housing units in Santa Clara as most developments tend to build studios, one- and two-bedroom units. A twenty percent increase would translate into 21 new three- or four-bedroom units.

Table 13.4-14: Household Size by Tenure

Household Size	Owners		Renters		Total	
	Number	Percent	Number	Percent	Number	Percent
1-Person Household	3,822	20%	6,122	24%	9,944	22%
2-Person Household	6,222	32.5%	8,642	34%	14,864	33%
3-Person Household	3,946	20.6%	4,703	18.4%	8,649	19%
4-Person Household	3,157	16.4%	3,802	14.8%	6,959	15.5%
5+ Person Household	1,996	10.4%	2,257	9%	4,253	9.5%
Total	19,143	100%	25,526	100%	44,669	100%

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25009
City of Santa Clara:

Farmworkers

Farmworkers are considered a special housing needs group due to their limited income and the often-unstable nature of their employment. While many traditional affordable housing programs and policies will assist farmworkers, the unique needs and circumstances for agricultural workers need to be considered and explored in the City's Housing Element.

Although maps from the State of California Department of Conservation Farmland Mapping and Monitoring Program show no farmland in Santa Clara, agriculture continues to play a role in the regional economy, including in parts of Santa Clara County.

Due to the high cost of housing and low wages, migrant farmworkers have difficulty finding affordable, safe, and sanitary housing. There is no Census occupation or industry category that discretely identifies an estimated number of farmworkers in the City of Santa Clara. There are
However, the Census does estimate that there are 122 residents working in the industry category that includes agriculture, forestry, fishing and hunting, and mining. who may work as as
Assuming all those residents are farmworkers, and live in Santa Clara, that representsing approximately only 0.2 percent of the City's working population.

Since 2002, there has been a decline in the total number of farmworkers in Santa Clara County and there has also been a shift to a more permanent workforce for many farms in Santa Clara County, which has shifted the bulk of need from seasonal housing for migrant workers to permanently affordable housing for lower income working families.

Table 13.4-15: Farm Operations and Farm Labor in Santa Clara County

<i>Hired Farmworker</i>	<i>2002</i>	<i>2007</i>	<i>2012</i>	<i>2017</i>
<u>Permanent</u>	<u>1,696</u>	<u>2,842</u>	<u>2,243</u>	<u>2,418</u>
<u>Seasonal</u>	<u>3,760</u>	<u>2,747</u>	<u>1,994</u>	<u>1,757</u>
Total	5,456	5,589	4,237	4,175

Source: U.S. Department of Agriculture, Census of Farmworkers (2002, 2007, 2012, 2017), Table 7: Hired Farm Labor

Note: farmworkers are considered seasonal if they work on a farm less than 150 days in a year, while farm workers who work on a farm more than 150 days in a year are considered to be permanent workers for that farm.

Farmworkers in the Bay Area are generally categorized as either:

1. **Permanent Residents.** The majority of farmworkers in Santa Clara County are permanent residents. Depending on their work and family circumstances, they may require housing which can accommodate families.
2. **Migrant Farmworkers.** Migrant farmworkers perform agricultural labor on a seasonal basis and tend to need housing in the form of single occupancy rooms, bunkhouses, or dormitory style living.



3. **H-2A Visa Workers.** These are farmworkers who enter under a federal guest worker program for limited number of months (no more than 10) before they return to their country of origin. H-2A visa workers require a sponsoring employer, who provides housing, meals, and transportation to the job site. H-2A visa workers can share homes, apartments, or be housed in bunkhouses, dormitories, or single occupancy rooms. Since very few bunkhouses exist, the employers of H-2A workers compete with permanent farmworkers for scarce affordable homes and apartments.

In Santa Clara, for the 2019-20 school year, there were 46 reported students of migrant workers. Since the 2016-17 school year, the trend for Santa Clara, the County, and the Bay Area shows a decline in the number of students of migrant workers.

Table 13.4-16: Migrant Worker Student Population

<u>Geography</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
<u>Santa Clara</u>	<u>109</u>	<u>90</u>	<u>91</u>	<u>46</u>
<u>Santa Clara County</u>	<u>978</u>	<u>732</u>	<u>645</u>	<u>492</u>
<u>Bay Area</u>	<u>4,630</u>	<u>4,607</u>	<u>4,075</u>	<u>3,976</u>

Source: California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-17, 2017-18, 2018-19, 2019-20)

Note: Data used for this table was obtained at the school site level, matched to a file containing school locations, geocoded and assigned to jurisdiction, and finally summarized by geography.

~~Maps from the State of California Department of Conservation Farmland Mapping and Monitoring Program show no farmland in Santa Clara.~~ Due to the low number of agricultural workers in the City, the housing needs of migrant workers and/or farmworkers housing need can be met through the City's general affordable housing programs. The City conducted specific focus group outreach to farmworker advocate groups in the City who identified that there may be a need for multi-generational housing options.

Female-Headed Households

Single-parent households require special consideration and assistance because of the greater need for day care, health care, and other services. In particular, female-headed households with children tend to have lower incomes and a greater need for affordable housing and accessible daycare and other supportive services. The relatively low incomes earned by female-headed households, combined with the increased need for supportive services, severely limit the housing options available to them. There are 3,571 female-headed households in Santa Clara, representing 7.9 percent of households. A total of 16.7 percent of female-headed households live in poverty, a much higher percentage than all households living in poverty at 6.7 percent. The largest household type in Santa Clara is married couple household (55 percent), followed by householders living alone (22 percent), and male-headed households (4.3 percent).

People Experiencing Homelessness

Population estimates for people experiencing homelessness is very difficult to quantify. Census information is often unreliable due to the difficulty of completely counting a population without permanent residences. Given this impediment, local estimates of the homeless and anecdotal information are often the sources of population numbers. In 2022, the regional point in time count identified a total of 440 people who were unsheltered or living in emergency shelters in the City of Santa Clara. Data from Santa Clara County Office of Supportive Housing identified 769 clients in 2021. These individuals are affiliated with the City of Santa Clara, had an emergency shelter, transitional housing, or outreach enrollment during, or took a Vulnerability Index Service Prioritization Decision Assistance Tool in 2021. Of these identified clients, 58 percent were male, 42 percent were female. The most individuals indicated they were between 55 to 64 years old followed by those 25 to 44 years old. Over half of individuals (52%) identified as non-Hispanic White and 46 percent identified as Hispanic/Latinx. Of these 769 homeless clients, 43 indicated they were veterans, 453 reported to have a disabling condition, 384 had a chronically homeless status, 264 had a self-reported domestic violence background, and 82 clients self-reported currently fleeing domestic violence. In 2019 there were 326 people counted. During this same time period, Santa Clara County's point in time count increased by 3 percent. Comparing point in time count between 2019 and 2022, the number of unsheltered individuals in the City of Santa Clara rose from 264 to 375 and the number of sheltered individuals rose from 62 to 65. This suggests that the City of Santa Clara's overall increase in homelessness was due primarily to the growth in unsheltered homeless. Housing types for sheltered homeless individuals from 2021 can be found in table 13 below.

Table 13.4-13176: Housing Inventory Count for Sheltered Individuals

<i>Project Type</i>	<i>2021 Housing Inventory Count</i>
Emergency Shelter	10
Transitional Housing	65
Rapid Rehousing	151
Permanent Supportive Housing	101
Other Permanent Housing	126
Grand Total	453

Source: 2021 Housing Inventory Count (HIC) Data for City of Santa Clara

The location of homeless encampments and RV parking shifts regularly. There are concentrations of overnight RV parking in the northern part of the City near Bassett Street, Hope Drive, Memorex Drive, and Richard Avenue. There are smaller concentrations in other parts of the City near De La Cruz Boulevard and Martin Avenue, Saratoga Avenue and Los Padres Boulevard, and certain portions of Stevens Creek Boulevard.



SANTA CLARA HOUSING ELEMENT

For encampments, there are concentrations on Saratoga Creek from Forbes Avenue, north along the creek to El Camino Real. Several segments of El Camino Real include unhoused residents camping near vacant buildings. On the north side of the City, the Guadalupe River trail from Highway 237 down to Trimble Road has a concentration of homeless encampments. Lastly, Calabazas Creek from Tasman Drive to Highway 101 has historically had several encampments. Generally, encampments are located in areas adjacent to waterways or near unoccupied/vacant buildings. Action 17 in the housing plan chapter ensures that the City adopts and implements the Homelessness Response Plan by early 2023.

Table 13.4-184 lists nine sites in the City where persons in need of emergency shelter can seek shelter and other assistance.

Table 13.4-187: Emergency Housing Providers in the City of Santa Clara

<i>Provider</i>	<i>Target Population</i>	<i>Capacity/ Housing Type</i>
Bill Wilson Center, Bill Wilson House	Homeless teenagers	Six-person group home
Bill Wilson Center, Homeless Teen Parent Project	Homeless teen mothers and dependent children	Six-person group home and four transitional apartments
Bill Wilson Center, Runaway Youth Shelter	Runaway, homeless and other troubled youth	Short-term transitional
Bill Wilson Center, Transitional Housing for Foster Home Teenage Girls	Teenage girls	Six-person group home
Bill Wilson Center, Transitional Housing for Homeless Teens	Homeless teenagers	Six-person group home
HomeFirst, Sobrato Family Living Center	Homeless families	33-unit transitional
HomeFirst, Sobrato Family Living Center II	Homeless families	10-unit transitional and eight-unit permanent
Charities Housing Homesafe Santa Clara	Survivors of domestic violence	24-unit transitional
Silicon Valley Independence Living Center	Persons with disabilities	Four-bedroom transitional

Emergency Shelters are currently a permitted use in the ML Light Industrial district, allowed without discretionary review, provided that the existing number of shelter beds is less than required in the most recent annual count of homeless persons residing within the city. If there are more beds that required by the most recent annual count of homeless persons, then Emergency Shelters are a conditional use.

The total acreage in the ML – Light Industrial district is 1,413 acres, with parcel sizes averaging 2.24 acres in size. Vacancy rates for R&D buildings in Santa Clara currently stand at 10%, and a number of industrial buildings are available for re-use as emergency shelters.

Frequent transportation options (15 minute headways) within the industrial areas of Santa Clara include the Route 57 bus that runs up Bowers Avenue, which connects to the goods and services of El Camino Real, and the VTA light rail, with connections to amenities and services in North Sunnyvale, downtown Mountain View and downtown San Jose.

Portions of the area zoned ML Light Industrial are located within the Airport Influence Area of the San Jose International Airport and are subject to noise from aircraft overflights.

Existing constraints to the permitting of emergency shelters are proposed to be removed as part of the Zoning Ordinance update with emergency shelters permitted by-right subject to the following objective development standards:

1. A minimum distance of three hundred (300) feet shall be maintained from any other emergency shelter.
2. The maximum stay at the facility shall not exceed one hundred eighty (180) total days in a three hundred sixty-five (365)-day period.
3. On-site client waiting and intake areas shall be located inside the building and shall be screened from public and private property where feasible. If not feasible, an exterior waiting area shall be provided which:
 - (A) Contains a minimum of ten square feet per bed provided at the facility; and
 - (B) Shall be in a location not adjacent to the public right-of-way; and
 - (C) Shall be visibly separated from public view by a minimum six-foot tall visual screening.
4. Hours of intake shall be between the hours of 5:00 P.M. to 9:00 P.M. Overnight occupants shall not be permitted to leave the facility on foot before 7:00 A.M. the following morning.
6. A minimum of one employee per fifteen (15) beds, in addition to security personnel, shall be on duty and remain on site during operational hours whenever occupants are on the site.
7. Security personnel shall be provided during operational hours whenever clients are on the site or when people are waiting outside the facility.
8. Exterior lighting shall be provided for the entire outdoor area of the site. Exterior lighting shall be stationary, directed away from adjacent properties and public rights-of-way, and be of an intensity compatible with the neighborhood.
9. Off-street parking shall be provided at the rate of one parking space per emergency shelter employee or as set forth in Chapter 18.74 SCCC, whichever is least restrictive.
10. The shelter may provide the following services and facilities to occupants in a designated area separate from the sleeping areas:



SANTA CLARA
HOUSING ELEMENT

(A) A recreation area either inside or outside the shelter. If located outside, the area shall be screened from public view.

(B) A counseling center for job placement, educational, health care, legal, or mental health services.

(C) Laundry facilities to serve the number of occupants at the shelter.

(D) One or more kitchens for the preparation of meals.

(E) Dining hall.

(F) Client storage areas (i.e., for the overnight storage of bicycles and personal items).

(G) Similar services supporting the needs of homeless occupants.

11. The operator of the facility shall provide, at the City's request, an annual report of the use of the facility that demonstrates that the facility is in compliance with the requirements of this chapter and the development standards for the use.

12. Deliveries of goods to the shelter shall only be made within hours that are allowed by this Code.

13. The facility shall not generate lighting at levels adversely affecting surrounding properties.

14. Professional and on-site management, with experience managing emergency shelters, shall be provided at all times.

15. The facility shall develop and implement an emergency preparedness plan, including a shelter-in-place plan.

These objective standards are consistent with the allowable objective development standards as indicated in HCDs Zoning for a Variety of Housing Types guidance document.

The key constraint is the current permitting process, which limits the number of beds that can be permitted by right in the City of Santa Clara based on the prior year's count of people experiencing homelessness. That constraint is proposed to be removed as a part of the Zoning Ordinance Update, and the availability of potential locations for emergency shelters will be expanded with Emergency Shelters allowed by right in the As a part of the Zoning Code Update (Action 9), the City is proposing to allow Emergency Shelters by right in the R-3 and R-4 Residential districts, the C-C and C-R Commercial districts, and the MU-VHD Mixed Use district. This would expand the total acreage available for emergency shelters to 1,599 acres and would potentially allow emergency shelters along commercial corridors such as Stevens Creek Boulevard, proximate to amenities and transit.

Additionally, Emergency Shelters would be allowed in the LI – Light Industrial and PQP – Public/Quasi-Public districts, subject to the approval of a Minor Use Permit heard by the Director of Community Development.

In addition to the various local resources for people experiencing homelessness and on the verge of experiencing homelessness there is a County wide Emergency Assistance Network available to anyone living in Santa Clara County. Organizations through this network offer one-time rent and mortgage payment assistance, -move -in costs for rental deposits, -information and referrals, food distributions, case management, job training, employment assistance, low-income utility programs, after school care, Veterans assistance, temporary shelter, and housing search assistance.

Table 13.4-19: Emergency Assistance Network

<u>Organization</u>	<u>Location</u>
<u>Community Services Agency of Mountain View & Los Altos</u>	<u>204 Sterlin Rd. Mountain View, CA 94043</u>
<u>LifeMoves Georgia Travis House</u>	<u>260 Commercial Street San Jose, CA 95112</u>
<u>LifeMoves Opportunity Center</u>	<u>33 Encina Avenue Palo Alto, CA 94301</u>
<u>Sunnyvale Community Services</u>	<u>725 Kifer Rd. Sunnyvale, CA 94086</u>
<u>Sacred Heart Community Service</u>	<u>1381 S. First St. San Jose, CA 95110</u>
<u>Salvation Army</u>	<u>359 North 4th Street San Jose, CA 95109</u>
<u>Salvation Army</u>	<u>3090 Homestead Road Santa Clara, CA 95051</u>
<u>St. Joseph's Family Center</u>	<u>7950 Church St., Suite A Gilroy, CA 95020</u>
<u>West Valley Community Services</u>	<u>10104 Vista Drive Cupertino, CA 95014</u>
<u>Source: City of Santa Clara</u>	

Energy Conservation Opportunities

The Housing Element should analyze opportunities for energy conservation in residential development. Energy-related housing costs can directly impact the affordability of housing. While State building code standards contain mandatory energy efficiency requirements for new development, the City and utility providers are also important resources to encourage and facilitate energy conservation and to help residents minimize energy-related expenses. Policies addressing climate change and energy conservation are integrated into the Santa Clara General Plan.

Santa Clara has two solar systems at City facilities, which have capacity to produce up to 500 kilowatts (kW) of energy combined. Pursuant to the City's Climate Action Plan (CAP), five more solar photovoltaic (PV) projects will be installed with a total capacity of three to five megawatts



SANTA CLARA HOUSING ELEMENT

(MW). To encourage residential PV units, Silicon Valley Power (SVP) offers a Neighborhood Solar Program which matches resident and business contributions to the fund for nonprofit solar facilities in the City. SVP also provides rebates for local businesses and residents for solar electric system installation and expedited solar system permitting. SVP offers free home energy audits to residents to help identify energy efficiency improvements, and rebates, including energy efficient appliances, insulation, lighting, cooling, and process changes. The City is also working with the regional energy supplier PG&E to encourage residents and businesses to retrofit their natural gas systems.

At-Risk Housing Analyses

State housing law requires an inventory and analysis of government-assisted dwelling units eligible for conversion from lower income housing to market rate housing during the next 10 years. Reasons for this conversion may include expiration of subsidies, mortgage pre-payments or pay-offs, and concurrent expiration of affordability restrictions. Currently, five-four affordable housing properties in Santa Clara are at risk of converting to market rate housing in the next 10 years as shown in table 15 below.

Table 13.4-2015: At-Risk Housing

<i>Project Name</i>	<i>Address</i>	<i>Total Units</i>	<i>Affordable Units</i>	<i>Funding Source</i>	<i>Date of Affordability End</i>
Benton House*	1885 Benton St	5	5	HCD	06/03/28
Clara Vista House*	723 Clara Vista St	6	6	HCD	06/03/28
Sobrato Family Living Center I**	1509 Agnew Rd	33	32	Local	05/21/29
<u>Estancia</u>	<u>1650 Hope Dr</u>	<u>450</u>	<u>90</u>	<u>Local</u>	<u>06/23/29</u>
Casa Del Maestro Apts (Phase I) 2001	3445 Lochinvar Ave	40	<u>22</u>	Local	10/02/31
Total		<u>84534</u>	<u>1354545</u>		

Source(s): At Risk-Housing Report for City of Santa Clara, CHPC 2022

*~~Not included in total unit count~~, zoned as single family residences

**Currently being refinanced with a possible extension of the affordability period

Transferring ownership of the affordable units to a nonprofit housing organization is a viable way to preserve affordable housing for the long term and increase the number of government resources available to the project. The City will seek to establish deeper relationships with nonprofit affordable housing developers and supportive services providers (qualified entities) to identify and preserve at risk properties for preservation. Several qualified entities, including the Sobrato Family Foundation, BRIDGE Housing, and MidPen Housing have shared their interest with the City in acquisition and/or preservation of properties for affordable housing.

~~Additionally, Sobrato Family Living Center is currently seeking to rehabilitate its units and extend the affordability period of the project, and other properties may seek to do the same. HCD also administers programs to finance the acquisition of at-risk projects, and there are low income housing tax credits, and bond financing. Locally, there are HUD CDBG rehabilitation funds.~~

In Santa Clara, the estimated market value for the ~~affordable units in the two~~ 5 affordable units in the multi-family at-risk projects is evaluated in Table 13.4-~~2116~~ below. The current total market value for the ~~124-34~~ at-risk units in Casa del Maestro Apartments ~~(2)~~, ~~Estancia~~, and Sobrato Family Living Center ~~(32)~~ is estimated to be \$~~11,313,922~~32,596,728. The estimated replacement cost ~~is~~ for the same units is approximately \$~~13,005,000~~57,800,000, with additional rent subsidies of \$~~147,242~~537,000 per year of deed restricted affordability, or \$~~8,098,306~~29,568,000 for the typical 55-year affordability requirement.

In order to assess the level of risk of a project converting to market rate, the expiration date of affordability covenants and the ownership structure of the project is considered. Nonprofit ownership generally indicates a lower likelihood of conversion than for-profit ownership.

Because Casa del Maestro Apartments and Sobrato Family Living Center are both owned/operated by nonprofit organizations and the expiration date of affordability covenants for both projects are at or toward the end of the 6th Housing Element Cycle, they are considered to be at low risk for conversion to market rate.

The two at-risk units at Casa del Maestro are part of a larger development that includes 20 other affordable units that will remain restricted until June 25, 2057.

The risk of the Sobrato Family Living Center's 32 affordable units converting to market rate is further reduced because there are provisions in their affordability agreement that would continue to require income limitations and rent restrictions beyond the end of their current 30-year affordability term unless the owner was able to demonstrate that the project was no longer economically feasible (revenue equal to or exceeds operating expenses) or if they provided an equal number of equivalent units off-site without public financial assistance. In addition to receiving local funding (HomeFirst), this project has received federal funding that also requires the project to remain affordable.

Additionally, Sobrato Family Living Center is currently seeking to rehabilitate its units, ~~and~~ Any local contribution to their proposed rehabilitation work would include a requirement for modification of their agreement to extend the affordability period of their project, ~~and o~~ Other properties with affordable may seek units seeking similar assistance would be required to do the same. HCD ~~also~~ administers programs to finance the acquisition of at-risk projects, and there are low-income housing tax credits, and bond financing. Locally, there are HUD CDBG rehabilitation funds.



SANTA CLARA
HOUSING ELEMENT

Two small at-risk properties owned by Momentum for Mental Health are operated as supportive housing for people dealing with mental health concerns, and as a smaller operation valuation comparable would be similar to a single-family residence, and the replacement cost would mirror the cost of single-family construction. However, the replacement strategy for the smaller projects would most likely be a purchase and rehabilitation project. For a five to six room unit the costs would be approximately \$1,200,000 to ~~\$1,700,000~~ ~~million~~ for purchase and rehabilitation or construction. Momentum for Mental Health is a non-profit organization and will likely not be selling the properties in the coming years, and will seek to refinance and rehabilitate the projects and seek subsidies to extend the affordability of the projects.

Table 13.4-2116: Market Value of At-Risk Projects

Size of Unit	Total Units
1-Bedroom	<u>840</u>
2-Bedroom	<u>1868</u>
3-Bedroom	<u>816</u>
Total	<u>34124</u>
Gross Annual Income	<u>\$1,194,9714,357,584</u>
Operating Costs	<u>\$252,1441,097,911.20</u>
Net Annual Income	<u>\$942,8273,259,672.80</u>
Market Value	<u>\$11,313,92232,596,728</u>

Source(s): *zumper.com*, compiled by MIG

1. Median Rent: 1-bed = \$2,402, 2-bed = \$2,995, 3-bed = \$3,962
2. Average Unit Size: 1-bed = 700 sq.ft., 2-bed = 900 sq.ft., 3-bed = 1,100 sq.ft.
3. Annual operating costs assume 5% vacancy rate and cost per square foot is 20% based on age of the building yielding expenses per square foot = \$8.24
4. Market value = Annual net project income*multiplication factor
5. Multiplication factor based on building age and rent tier = 12

Table 13.4-2217: Replacement Costs of At-Risk Projects

Size of Unit	Total Units	Total Cost (\$425 per sq.ft)
1-Bedroom (7800 sq. ft.)	<u>840</u>	<u>\$213,380600,000</u>
2-Bedroom (9001,200 sq. ft.)	<u>1868</u>	<u>\$634,885680,000</u>
3-Bedroom (1, 1400 sq. ft.)	<u>816</u>	<u>\$39,740520,000</u>
Total	<u>34124</u>	<u>\$1357,5800,000</u>

Source(s): RSMeans Data, 2022, 3-Story, Stick and Stucco; regional adjustment

1. Per unit cost: 1-BR, \$340,000; 2-BR, \$510,000; 3-BR, \$595,000
2. Additional subsidies would be required of approximately \$200 per bedroom (2020 Income Limits – Fair Market Rent)

Coastal Zone

The City of Santa Clara is not in a coastal zone and therefore is not subject to the requirements of Government Code 65588 (c) and (d).

Projected Housing Need (RHNA)

Housing Element law requires a quantification of each jurisdiction's share of the regional housing need as established in the RHNA-Plan prepared by the jurisdiction's council of governments. The California Department of Housing and Community Development (HCD), in conjunction with the ABAG, determine a projected housing need for the region covered by ABAG. This share, known as the Regional Housing Needs Allocation (RHNA), is 441,176 new housing units for the 2023-2031 planning period throughout the ABAG region. ABAG has, in turn, allocated this share among its constituent jurisdictions, distributing to each its own RHNA divided along income levels. The City of Santa Clara has a RHNA of 11,632 housing units to accommodate in the housing element period. The income distribution is as shown in Table 13.4-18.

Table 13.4-2318: Regional Housing Needs Allocation 2023-2031

<i>Income Group</i>	<i>% of County AMI</i>	<i>Number of Units Allocated</i>	<i>Percent of Total Allocation</i>
Very Low ¹	<50%	2,872	25%
Low	50-80%	1,653	14%
Moderate	80-120%	1,981	17%
Above Moderate	>120%	5,126	44%
Total	---	11,632	100%

Note: Pursuant to AB 2634, local jurisdictions are also required to project the housing needs of extremely low-income households (0-30% AMI). In estimating the number of extremely low-income households, a jurisdiction can use 50% of the very low-income allocation or apportion the very low-income figure based on Census data. There are 5,462 extremely low- and 5,018 very low-income households. Therefore, the City's very low-income RHNA of 2,872 units can be split into 1,436 extremely low-income and 1,436 very low-income units.

Source(s): Association of Bay Area Governments



**SANTA CLARA
HOUSING ELEMENT**

This page was left intentionally blank.

Population and Employment Trends.....	1
Household Characteristics.....	4
Housing Stock Characteristics.....	8
Special Housing Needs	10
Energy Conservation Opportunities	23
At-Risk Housing Analyses.....	24
Projected Housing Need (RHNA)	27

List of Tables

<u>Table 13.4-1: Population Growth and Projected Growth</u>	<u>1</u>
<u>Table 13.4-2: Age, Race and Ethnicity, and Employment by Industry</u>	<u>2</u>
<u>Table 13.4-3: 10 Principal Employers, 2020</u>	<u>4</u>
<u>Table 13.4-4: Household Characteristics by Tenure</u>	<u>5</u>
<u>Table 13.4-5: Existing Properties with Extremely Low-Income Housing Units.....</u>	<u>7</u>
<u>Table 13.4-6: Housing Stock Characteristics by Tenure – 2020.....</u>	<u>8</u>
<u>Table 13.4-7: Fair Market Rents in Santa Clara County.....</u>	<u>10</u>
<u>Table 13.4-8: Market Rents Per Unit by Bedroom – Q3 2022</u>	<u>10</u>
<u>Table 13.4-9: Special Needs Groups</u>	<u>10</u>
<u>Table 13.4-10: Housing Properties for Persons with Disabilities</u>	<u>13</u>
<u>Table 13.4-11: Housing Properties for Seniors</u>	<u>14</u>
<u>Table 13.4-12: Senior Households by Income and Tenure</u>	<u>15</u>
<u>Table 13.4-13: Cost-Burdened Senior Households by Income Level.....</u>	<u>15</u>
<u>Table 13.4-14: Household Size by Tenure.....</u>	<u>16</u>
<u>Table 13.4-15: Farm Operations and Farm Labor in Santa Clara County</u>	<u>17</u>
<u>Table 13.4-16: Migrant Worker Student Population</u>	<u>18</u>
<u>Table 13.4-17: Housing Inventory Count for Sheltered Individuals.....</u>	<u>19</u>
<u>Table 13.4-18: Emergency Housing Providers in the City of Santa Clara.....</u>	<u>20</u>



SANTA CLARA
HOUSING ELEMENT

Table 13.4-19: Emergency Assistance Network	23
Table 13.4-20: At-Risk Housing.....	24
Table 13.4-21: Market Value of At-Risk Projects	26
Table 13.4-22: Replacement Costs of At-Risk Projects	26
Table 13.4-23: Regional Housing Needs Allocation 2023-2031	27

Chapter 13.5

Constraints Analysis

Many factors can encourage or constrain the development, maintenance, and improvement of housing stock. These factors fall into two categories — governmental and non-governmental constraints — and include physical constraints, land availability, development economics, and governmental regulations, all of which impact the cost and amount of housing produced. These constraints may result in housing that is not affordable to low- and moderate-income households or may render residential construction economically infeasible for developers. Constraints to housing production significantly impact households with lower incomes and special needs.

This chapter addresses both the governmental and non-governmental constraints that impact the City of Santa Clara's housing market and production. State law requires that Housing Elements analyze potential and actual governmental and non-governmental constraints to the production, maintenance, and improvement of housing for persons of all income levels and disabilities. The constraints analysis must also demonstrate local efforts to remove or mitigate barriers to housing production and housing for persons with disabilities. Where constraints to housing production related to the City's regulations or land use controls are identified, appropriate programs to remove or mitigate these constraints are included in the Housing Plan.

Government Constraints

Governmental constraints for affordable housing development are defined as policies, standards, requirements, or actions imposed by the various levels of government upon land and housing development. Although State and federal agencies play a role in the imposition of governmental constraints, local government's ability to influence these agencies is generally limited. Housing constraints associated with these State and federal governmental constraints are, therefore, not significantly addressed in this document.

Municipal Boundaries

The City of Santa Clara is completely surrounded by the boundaries of other cities: San José to the north, east and south; and Cupertino and Sunnyvale to the west. Other than a small parcel on Homestead Road, there are no other developable lands potentially annexable to the City. The City's new housing opportunities, therefore, must come from within the existing City limits, and primarily through redevelopment of existing parcels.



Land Use Controls and Development Standards

Land use controls have helped maintain the quality of the City's residential neighborhoods, consistent with community established goals. These land use controls, however, can be viewed as constraints in that they determine the amount of land to be developed for housing and establish a limit on the number of units that can be built on a site. These standards have not been changed substantially since 1969.

General Plan

On November 16, 2010, the Santa Clara City Council adopted the 2010-2035 General Plan. The 2010-2035 General Plan includes a range of residential land use designations and densities, from Very Low Density Residential with a maximum density of 10 dwelling units per acre, to High Density Residential with a maximum density of 50 units per acre. The new General Plan has also established three mixed use designations: Neighborhood Mixed Use, which allows residential densities up to 36 dwelling units per acre; Community Mixed Use, which allows residential densities up to 36 dwelling units per acre; and Regional Mixed Use, which allows residential densities up to 50 dwelling units per acre. The Related Santa Clara Project, Lawrence Station Area Plan, the Tasman East Specific Plan, the Patrick Henry Drive Specific Plan, and the Gateway Crossings project added higher-density General Plan designations for a total of fifteen land use designations that allow for residential development, as shown in Table 13.5-1.

Because of high land costs in the City, sites that are zoned for high-density housing are typically occupied by multi-family housing developments. The City has few instances where single-family homes occupy sites that are zoned for higher density housing.

Table 13.5-1: 2010-2035 General Plan Land Use Designations (Residential)

<i>Land Use Designation</i>	<i>Density/ FAR</i>
Very Low Density Residential	0 to 10 du/acre
Low Density Residential	8 to 19 du/acre
Medium Density Residential	20 to 36 du/acre
High Density Residential	37 to 50 du/acre
Very High Density Residential	51 to 100 du/acre
High Density Flex	60 to 149 du/acre
Urban Village	100 to 149 du/acre
Village Residential	60 to 149 du/acre
Urban Center	120 to 250 du/acre
Urban Center/ Entertainment District	37 to 90 du/acre
Transit Neighborhood	Up to 350 du/acre Less than 1 acre, minimum 60 du/acre Greater or equal to 1 acre, minimum 100 du/ac
Very High Density Mixed Use	50 to 120 du/acre

Table 13.5-1: 2010-2035 General Plan Land Use Designations (Residential)

<i>Land Use Designation</i>	<i>Density/ FAR</i>
Neighborhood Mixed Use	Minimum 10 du/acre for sites < 1 acre Minimum 20 du/acre for sites ≥ 1 acre Maximum 36 du/ ac Minimum Commercial FAR of 0.10
Community Mixed Use	Residential 20 to 36 du/acre Minimum Commercial FAR of 0.10
Regional Mixed Use	Residential 37 to 50 du/acre Minimum Commercial FAR of 0.15

Source(s): Santa Clara General Plan, Lawrence Station Area Plan (LSAP), Patrick Henry Drive Specific Plan (PHD), Tasman East Specific Plan, Related Santa Clara Project, Gateway Crossings Project, City of Santa Clara June 2022

Zoning Ordinance

The type, location and density of residential development are primarily regulated through the zoning ordinance. Zoning regulations serve to protect and promote the health, safety, and general welfare of the residents of a community while also serving to implement the goals and policies of the General Plan. The City began a comprehensive update to their Zoning Ordinance to reflect the goals and policies of the City's 2010-2035 General Plan in early 2014. The City is in the process of completing an update to the Zoning Ordinance that will be implemented in early 2023, addressing California statutory requirements with regard to a variety of issues, including solar energy systems, family day care homes, affordable housing, group homes, alterations to legal non-conforming buildings, and historic resources.

Currently, residential uses are permitted in ten zoning districts and in the City's mixed use overlay and combining districts, allowing flexibility for mixing land uses and supporting large-scale and master-planned development projects.

Density Bonus

The City's Density Bonus Ordinance was updated in 2015. The City currently provides density bonuses or equivalent financial incentives for housing projects which include affordable and/or senior housing units, consistent with State law. Modifications to the City's Density Bonus Ordinance, in order to meet the requirements of Government Code Section 65915, were made in conjunction with the adoption of the 2015-2023 Housing Element.

The City's Zoning Ordinance update, which will be implemented in early 2023, will bring the City into compliance with State Density Bonus Law, including recently adopted legislation that goes into effect in 2023.

Currently, requests for density bonuses and other concessions or incentives are generally processed concurrently with an application for a Planned Development rezoning. With the Zoning Ordinance update, most properties could develop under a conventional zoning district,



SANTA CLARA HOUSING ELEMENT

including properties that will be rezoned to one of the new high density residential or mixed use zoning districts. Under the updated Zoning Ordinance, requests for density bonuses and other concessions or incentives will generally be evaluated through the Planning permit process required for the project. Residential developments would be subject to by right approval by the Director of Community Development, including provisions for additional units allowed via density bonuses. Density bonus agreements would ultimately be approved by the City Council.

Inclusionary Housing

The City has had an “inclusionary” housing policy in place since 1992. The Affordable Housing Ordinance of 2018 requires private development projects with more than 10 units to include at least 15 percent of new housing units as affordable. For residential ownership projects with fewer than 10 units, either one dwelling at an affordable housing cost for a household earning up to 100 percent of AMI may be provided, or an in-lieu fee identified for residential ownership projects in the Affordable Housing Master Fee Schedule may be paid. Residential rental projects of 10 or more units must also provide at least 15 percent of the units at a maximum average of 100 percent AMI. Residential rental projects with fewer than 10 units may either provide an affordable unit or pay an in-lieu fee identified for residential rental projects in the Affordable Housing Master Fee Schedule. The City Council can also authorize a developer to utilize an alternate means of compliance such as a dedication of land for affordable housing, the development of affordable units at an off-site location, or some combination thereof.

The City’s Residential Density Bonus Standards make it clear that the provision of affordable units through the City’s inclusionary housing ordinance count toward units provided for the purpose of receiving benefits under the state’s density bonus law. As a part of the Action 2, Affordable Housing Ordinance, City staff will bring forward a revised affordable housing ordinance that includes deeper levels of affordability (5% at 50% AMI, 5% at 80% AMI and 5% at 120% AMI), which will make all development projects eligible for a density bonus.

For non-residential projects, affordable housing requirements may be met through the payment of impact fees identified in the Affordable Housing Master Fee Schedule, calculated on a per square foot basis for net new gross floor area. This impact fee can be mitigated through the construction of affordable residential units on an appropriate housing site. For all new construction of mixed use projects that exceed 20,000 square feet, affordable housing requirements on the residential gross floor area portion of the mixed use project shall be met in line with the provisions of SCCC 17.40.080 or SCCC 17.40.090. Affordable housing requirements applicable on the non-residential gross floor area portion of the mixed use project shall be met in line with the provision of SCCC 17.40.100. As an alternative to the payment of an impact fee, a developer or owner may construct affordable residential units on an appropriate housing site.

As of 2021, the City has exceeded its fifth cycle RHNA goals by 3,013 units and has attained 289.1% of that goal without counting units permitted in 2022. This suggests that the City’s

inclusionary housing ordinance is not impacting feasibility to the point that market rate development is not occurring to meet housing needs. In fact, staff received input during Housing Element outreach asking that the affordable housing ordinance require deeper levels of affordability because 100%AMI is no longer affordable for many households in Santa Clara. If the City does amend its required affordability, it would need to consult with market rate and affordable housing developers to balance concerns about the depth of affordability and project feasibility.

On May 5, 2022, City staff participated in a countywide listening session with market rate and affordable housing developers. Regarding inclusionary policies, developers suggested that allowing flexibility in the options available (i.e. land dedication) to market rate developers was very important and opened up possibilities to partner with affordable developers. The City's inclusionary ordinance does offer flexibility in meeting its obligations.

Residential Development Standards

The City's Zoning Ordinance contains development standards for each zoning district. Table 13.5-2 outlines the residential standards under each zoning classification and specific area plans, including minimum lot sizes, setbacks, widths, and densities, as well as restrictions on building and landscape coverage.

Table 13.5-2: Residential Development Standards

<i>Residential Use Type</i>	<i>R1-8L</i>	<i>R1-6L</i>	<i>R2-7L</i>	<i>R3-18D</i>	<i>R3-25D</i>	<i>R3-36D</i>	<i>R3-M</i>	<i>R3-RV</i>	<i>MU</i>	<i>TMU</i>	<i>LSAP</i>	<i>TN</i>	<i>PHD</i>
Minimum Lot Size (sq. ft.)	8,000	6,000	7,000	8,500	8,500	8,500	1,500	1,200	20,000	20,000	n/a	n/a	8,500 – 10,000
Maximum Density (du/ac)	5	7	12	18	25	36	10	n/a	25	45	100	350	250
Minimum Lot Width (ft.)	70	60	65	70	70	70	n/a	100	100	100	n/a	n/a	n/a
Maximum Height (ft.)	25	25	25	20	25	45	n/a	n/a	45	50	n/a	220	32
Minimum Front Yard (ft.)	20	20	20	20	20	20	25	15	10	10	n/a	n/a	n/a
Minimum Side Yard (ft.)	6 & 9	5	5	10	10	10	15 & 25	5 & 15	10	10	n/a	n/a	n/a
Minimum Rear Yard (ft.)	20	20	15	15	15	20	15	n/a	20	20	n/a	n/a	n/a



Table 13.5-2: Residential Development Standards

<i>Residential Use Type</i>	<i>R1-8L</i>	<i>R1-6L</i>	<i>R2-7L</i>	<i>R3-18D</i>	<i>R3-25D</i>	<i>R3-36D</i>	<i>R3-M</i>	<i>R3-RV</i>	<i>MU</i>	<i>TMU</i>	<i>LSAP</i>	<i>TN</i>	<i>PHD</i>
Max. Building Coverage	40%	40%	45%	35%	35%	45%	n/a	n/a	30%	30%	n/a	n/a	n/a
Min. Landscape Coverage	n/a	n/a	40%	40% ¹	40% ¹	40% ¹	n/a	n/a	30%	30%	n/a	n/a	n/a

Source(s): Santa Clara Zoning Ordinance, (2014), Tasman East Focus Area Plan, Lawrence Station Area Plan (LSAP), Patrick Henry Drive Specific Plan (PHD)

Notes:

1 Each lot greater than 22,000 square feet in size shall have not less than forty-five percent (45%) of the lot area developed into permanently maintained open space.

In addition to the residential categories identified below, the Planned Development zoning district also permits residential development. It allows flexibility in both development standards and land use mix not permitted in other zones in order to adapt to specific site constraints without reducing housing density or adding costs to affordable housing units. An analysis of Santa Clara’s development regulations compared with those of Mountain View, Sunnyvale, and San José, showed that these cities have fairly similar standards. Additionally, in 2014 the City initiated an update to its Zoning Ordinance. As part of that update, the City will establish appropriate minimum and maximum densities in residential and mixed use districts consistent with the 2010-2035 General Plan. In sum, the City’s development standards do not substantially restrict the cost and supply of housing overall, or in particular, lower income housing

Parking Standards

Parking can substantially add to the cost of housing. The City’s Zoning Ordinance currently requires two spaces per unit in both single-family and multi-family districts. However, the City has reduced parking requirements for a number of recent multi-family residential projects, including the Camino Del Rey Senior Apartments. The City’s current parking standards are summarized in Table 13.5-3 below. Over the three most recently adopted Specific Plans (in order of adoption: Lawrence Station, Tasman East (Transit Neighborhood) and Patrick Henry Drive (PHD), residential parking requirements have been progressively reduced and now stand at one parking space per unit (or less) in both Tasman East and PHD. As part of the comprehensive Zoning Ordinance update, the City will review its citywide parking standards and ~~consider~~ reducing will reduce residential parking requirements for multi-family uses, including unbundling and additional reductions according to housing type (e.g., housing for people with developmental and other disabilities) and according to proximity to transit. In addition, see Action 3: Affordable Housing Incentives and Facilitation, which includes an objective to analyze

apply those parking reforms as part of proposed long-range plans, including to parcels within the El Camino Real Specific Plan and the Santa Clara Station Area Plan areas.

Table 13.5-3: Parking Standards

<i>Housing Type/ Zoning District</i>	<i>Requirements</i>
Single-Family Dwellings (R1-8L, R1-6L, and R2-7L zones)	Two garage or carport parking spaces
Dwellings (R3-18D, R3-25D, and R3-36D zones)	One garage or carport shall be provided for each dwelling unit, plus one parking space for each dwelling unit
Multi-Family Dwellings (MU and TMU zones) ¹	At least one garage or carport shall be provided for each dwelling unit, plus one parking space for each dwelling unit
Mobile Home Park ²	One individually accessible and one tandem parking space per mobile home site
Recreational Vehicle Park	One visitor parking space shall be provided for every fifteen (15) recreational vehicle sites or fraction thereof
Emergency Shelters	One space per shelter employee
Accessory Dwelling Unit	No parking required
LSAP Studio and One Bedroom Residential Unit	One parking space per unit
LSAP Two or more bedroom Residential Unit	Two parking spaces per unit
Transit Neighborhood	One parking space per unit
PHD	One parking space per unit greater than 550 square feet and 0.5 spaces per unit less than 550 square feet

Source(s): Santa Clara Zoning Ordinance, 2022, Lawrence Station Area Plan (LSAP), Patrick Henry Drive Specific Plan (PHD)

1. MU and TMU zones exist in current zoning code but are not applied anywhere in the City and won't be used in the future.
2. R3-M zones exist in current zoning code but are not applied anywhere in the City and won't be used in the future.
3. R3-RV zones exist in current zoning code but are not applied anywhere in the City and won't be used in the future.

In the City's multi-family districts, the City is proposing to reduce the required parking from two spaces per unit to 1½ spaces per unit and to allow for unbundled parking for any additional spaces after the first parking space for each unit.

The parking standards for the MU – Mixed Use and TMU – Transit-oriented Mixed Use districts deserve a special mention here. Those zoning districts have not been used to zone any parcels within the City of Santa Clara and have not been included in the City's Zoning Ordinance Update because there are no parcels with a corresponding General Plan Land Use designation. The impact of those parking standards on the provision of housing is therefore moot.



Provision for a Variety of Housing Types

State Housing Element law specifies that jurisdictions identify adequate sites to be made available through appropriate zoning and development standards to encourage the development of various types of housing for all economic segments of the population. This includes single-family housing, multi-family housing, factory-built or manufactured housing, emergency shelters, and transitional housing among others. Permitted housing types are described in Table 13.5-4. Although single-family uses are permitted in multi-family zones, this rarely occurs in the City on sites large enough for multi-family housing due to the high costs of housing and limited availability of vacant land.

Table 13.5-4: Permitted Housing Types Within Residential Zoning Classifications

	R1-8L	R1-6L	R2-7L	R3-18D	R3-25D	R3-36D	R3-M	R3-RV	MU	TMU	ML	LSAP	TN	PHD
Single-Family Dwellings	P	P	P	P	P	P						P		
Two-Family Dwellings			P	P	P	P						P		
Multi-Family Housing				P	P	P			P	P		P	P	P
Accessory Unit	P	P	P	P	P	P			P	P				P
Manufactured Housing	P	P												
Mobile Home Park							P							
Recreational Vehicle Park								P						
Residential Care Facilities (<6 persons)	P	P	P	P	P	P	P	P	P	P				P
Emergency Shelter											P			
Transitional Housing	P	P	P	P	P	P	P	P	P	P		P	P	P
Supportive Housing	P	P	P	P	P	P	P	P	P	P		P	P	P

Source(s): Santa Clara Zoning Ordinance, 2014, Lawrence Station Area Plan (LSAP), Patrick Henry Drive Specific Plan (PHD), Tasman East Focus Area Plan

Single-Family Dwellings

The majority of the residential areas in the City are composed of single-family districts. Single-family dwellings are permitted in all of the City's residential districts, with the exception of the

mixed use and mobile home park zones. However, there are few instances where multi-family properties are developed with single-family homes.

Multi-Family Dwellings

Most residential construction in recent years has been for multi-family units. Multi-family dwellings are permitted in the R3-18D, R3-25D, and R3-36D districts, as well as in the City's mixed use zones. Existing development standards have not constrained multi-family development, which typically provide a good opportunity for affordable housing in the City.

Accessory Units

The 2021 update to the city's Accessory Unit Zoning Ordinance includes regulations which allow for both Accessory Dwelling Units (ADUs) and Junior ADUs (JADUs) on a property, allowance of ADUs in multi-family zoning districts, and reduction of the required setbacks. The Zoning Ordinance defines an accessory unit as "one additional dwelling unit that includes a single kitchen, sleeping quarters, not more than one bathroom, and not more than two bedrooms. The accessory unit may be attached to or part of the existing single-family unit or may be a detached structure and shall meet all other requirements of the Zoning Ordinance." ~~Since-From~~ 2018 ~~through 2022, approximately 170-246~~ accessory units have been permitted in the City for an average of ~~4249.5-2~~ units per year.

Manufactured Housing

Factory-built, modular homes constructed in compliance with the California Building Code (CBC), and mobile homes/manufactured housing units that comply with the National Manufactured Housing Construction and Safety Standards Act of 1974, placed on permanent foundations, are considered single-family dwellings and are generally treated as such. Currently, the City permits manufactured housing in all R-1, R-2, and R-3 zones. The City also permits mobile home parks and recreational vehicle parks in the R3-M and R3-RV zones, respectively.

Residential Care Facilities

Residential care facilities can be described as any family home, group care facility or similar facility, including some transitional housing facilities, for 24-hour non-medical care of persons in need of personal services, supervision, or assistance essential for sustaining the activities of daily living. In accordance with State law (Lanterman Developmental Disability Services Act, AB 846 (1977), composed of divisions 4.1, 4.5 and 4.7 of the Welfare and Institutions Code and Title 14 of the Government Code), the City permits residential care facilities serving six or fewer persons in all residential zones. The Zoning Ordinance does not explicitly address residential care facilities for more than six persons. As part of the comprehensive Zoning ~~OrdinanceCode~~ update to be completed in early 2023, the City will ~~address the provision of include the by-right approval of~~ residential care facilities serving seven or more residents, subject to objective standards.



Emergency Shelters

An emergency shelter is defined as “housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or households may be denied emergency shelter because of an inability to pay.”

Emergency shelters are currently a permitted use in the ML (Light Industrial) zone, provided they meet the minimum property development standards in which they are located when, on the date that a complete shelter management plan is submitted to the City, the number of existing shelter beds within the City is fewer than the City’s most recent annual count of homeless persons residing within the City.

If the demonstrated need has already been met, additional emergency shelters may be conditionally permitted in the ML (Light Industrial) zone, subject to conditions with the issuance of a use permit pursuant to Chapter 18.110 SCCC. The determination required by this subsection shall occur on the date the operator submits the materials.

The shelter bed maximum is the key constraint in the current permitting process for emergency shelters and limits the number of beds that can be permitted by right in the City of Santa Clara based on the prior year’s count of people experiencing homelessness. That constraint is proposed to be removed as a part of the Zoning Ordinance Update, and the availability of potential locations for emergency shelters will be expanded. with Emergency Shelters allowed by right in the
As a part of the Zoning Ordinance Update (Action 9), the City is proposing to allow emergency shelters by right in the R-3 and R-4 Residential districts, the C-C and C-R Commercial districts, and the MU-VHD Mixed Use district. This would expand the total areagearea available for emergency shelters to 1,573 acres and would potentially allow emergency shelters along commercial corridors such as Stevens Creek Boulevard, proximate to amenities and transit.

The Zoning Ordinance update would also allow emergency shelters in the LI Light Industrial and POP Public/Quasi-Public districts subject to with the issuance of a Minor Use Permit.

Low Barrier Navigation Centers

A Low Barrier Navigation Center is defined 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.”

State law requires low barrier navigation centers be a use permitted by right in mixed-use zones and non-residential zones permitting multi-unit uses, if specified requirements are met.

In the City’s comprehensive Zoning Ordinance update to be completed in early 2023, Low Barrier Navigation Centers will be listed as a by-right use in the R3, R4 and R5 multi-family residential districts, the MU-NC, MU-CC, MU-RC, MU-MD, and MU-VHD mixed use districts, the C-C, C-

R, and C-D commercial districts, ~~and~~ Like emergency shelters, Low Barrier Navigation centers would also be allowed in the LI Light Industrial and POP Public/Quasi-Public districts subject to a Minor Use Permit.

Transitional Housing

Transitional housing is a type of housing used to facilitate the movement of homeless individuals and families to permanent housing. Transitional housing can take several forms, including group quarters with beds, single-family homes, and multi-family apartments, and typically offers case management and support services to return people to independent living (usually between six and 24 months).

California Government Code Section 65582 (h) defines “transitional housing” and “transitional housing development” as buildings configured as rental housing developments but operated under program requirements that require the termination of assistance and recirculation of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of the assistance. Pursuant to SB 2 (2007), which amended Sections 65582, 65583 and 65589.5 of the Government Code, transitional housing that is a residential use should be subject only to those restrictions that apply to other residential dwellings of the same type in the same zone.

Historically, the City has shown an ability to provide transitional housing through group homes and small apartment complexes. The Zoning Ordinance was amended, in conjunction with the adoption of the 2015-2023 Housing Element, to permit transitional housing in the same manner as other residential dwellings of the same type in the same zone, per applicable State law. The Ordinance amendment was approved by the City Council on December 9, 2014.

Supportive Housing

State law requires local jurisdictions to address the provisions for supportive housing. California Government Code Sections 65582 (f)(g) defines “supportive housing” as 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.

As with emergency shelters and transitional housing, the City has previously been able to provide supportive housing through group homes and small apartment complexes. The Zoning Ordinance was amended, in conjunction with the adoption of the 2015-2023 Housing Element, to permit supportive housing in the same manner as other residential dwellings of the same type in the same zone, per applicable State law. The Ordinance amendment was approved by the City Council on December 9, 2014.



SANTA CLARA HOUSING ELEMENT

The Zoning Ordinance update will add supportive housing as a by-right use in all multi-family and mixed-use zones.

Single-Room Occupancy (SRO) Housing

The City's proposed Zoning Ordinance will allow Single-Room Occupancy (SRO) Facilities by right in the C-C Community Commercial, C-R Regional Commercial, C-D Downtown Commercial, MU-CC Mixed Use Community Commercial, and MU-RC Mixed Use Regional Commercial districts.

Employee Housing

The City's Zoning Ordinance does not currently include provisions for employee housing. Pursuant to the Health and Safety Code, employee housing for six or fewer employees is to be treated as a single-family structure and permitted in the same manner as other dwellings of the same type in the same zone. As part of the comprehensive Zoning Ordinance update to be completed in early 2023, the City will amend the Zoning Ordinance to be consistent with these State requirements for employee housing.

Zoning and Land Use

Restrictive land use policies and zoning provisions can constrain the development of housing for persons with disabilities. Under the State Lanterman Developmental Disabilities Services Act (composed of divisions 4.1, 4.5 and 4.7 of the Welfare and Institutions Code and Title 14 of the Government Code), small licensed residential care facilities for six or fewer persons must be treated as regular residential uses and permitted by right in all residential districts. The City of Santa Clara is compliant with the Lanterman Act. Furthermore, the Zoning Ordinance is being updated concurrent with the Housing Element update to address the provision of emergency shelters, transitional housing, and supportive housing – housing types that are suitable for occupancy by persons with disabilities (see discussions on the provision of a variety of housing types earlier). Specifically, the Zoning Code Update incorporates the following provisions to be consistent with State law:

- AB 2221 (2022): Adds front setbacks to the list of development standards that cannot preclude the development of an Accessory Dwelling Unit (ADU). Added to ADUs, Section 18.60.030 of the Zoning Code Update.
- SB 897 (2022): Increases the height limit to 18 feet for detached ADUs within ½ mile of transit or on lots with multifamily dwellings, and to 25 feet or the primary dwelling height for attached ADUs. Added to ADUs, Section 18.60.030 of the Zoning Code Update.
- SB 897 (2022): Clarifies that a Junior Accessory Dwelling Unit (JADU) can be within an attached garage; if a JADU does not have a separate bathroom, it needs to have both an interior connection to the main living unit and an exterior entry; also requires owner

occupancy and deed restrictions for JADUs. Added to ADUs, Section 18.60.030 of the Zoning Code Update.

- AB 682 (2022): Allows Density Bonuses to be extended to shared housing projects. Added to Density Bonuses, Chapter 18.64 of the Zoning Code Update.
- SB 290 (2021): Changes standard language regarding incentives to not include the physical environment. Added to Density Bonuses, Chapter 18.64 of the Zoning Code Update.
- Low Barrier Navigation Centers: Adds a definition, an enumerated use, and a parking standard for Low-Barrier Navigation Centers to the Zoning Code Update. Allowed by right in the same districts that emergency shelters are allowed, and in all mixed-use districts.
- AB 2339 (2022): Changes where emergency shelters need to be zoned. In the proposed code update, Emergency Shelters are proposed to be allowed by right in the R-3 and R-4 Residential districts, the C-C and C-R Commercial districts, the MU-VHD Mixed Use district, and the LI Light Industrial district.
- AB 2162 (2018): Added Supportive Housing as a by-right use in all multi-family and mixed-use zones.
- Residential Care Facilities: Separated Residential Care Facilities from Community Care Facilities, which are non-residential in nature by adding a definition for Residential Care Facilities, and an enumerated use for residential care facilities with six or fewer residents, which are allowed by right in all residential districts, and for seven or more, which are allowed with a minor use permit, approved by the Director of Planning.

Definition of Family

A community's Zoning Ordinance can potentially restrict access to housing for households failing to qualify as a "family" by the definition specified in the Zoning Ordinance. Even if the code provides a broad definition, deciding what constitutes a "family" should be avoided by jurisdictions to prevent confusion or give the impression of restrictiveness.

California court cases have ruled that a definition of "family" that: 1) limits the number of persons in a family; 2) specifies how members of the family are related (i.e., by blood, marriage or adoption, etc.), or 3) a group of not more than a certain number of unrelated persons as a single housekeeping unit, is invalid. Court rulings stated that defining a family does not serve any legitimate or useful objective or purpose recognized under the zoning and land planning powers of the jurisdiction, and therefore violates rights of privacy under the California Constitution.

The Santa Clara Zoning Ordinance defines a family as "an individual or group of persons living together as a single housekeeping unit in a dwelling unit, including State or County licensed residence programs which comply with State law. Family shall not be construed to include a fraternity, sorority, club, or other group of persons occupying a hotel, boarding house, or similar institution." This definition is not overly restrictive and does not constrain access to, or the development of housing.



Reasonable Accommodation

Both the federal Fair Housing Amendments Act (FHAA) 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 City conducted an analysis of its Zoning Ordinance, permitting procedures, development standards, and building codes to identify potential constraints for housing for persons with disabilities. The City's policies and regulations regarding housing for persons with disabilities are described below.

A request to retrofit an existing residence with accessibility equipment (i.e., a ramp, landing, lift, etc.) is typically approved "over the counter", if the proposal does not negatively impact the neighborhood or surrounding properties. When more review is required, the request is reviewed through the City's Development Review process. However, at times it may be reasonable to accommodate requests from persons with disabilities to waive specific standards or procedures of the Zoning Ordinance to ensure that homes are accessible to persons with disabilities. In conjunction with the adoption of the 2015-2023 Housing Element, the City adopted a reasonable accommodations ordinance. The Ordinance amendment was approved by the City Council on December 9, 2014. That ordinance is codified as Chapter 18.118 of the Zoning Code.

The required Zoning Code findings for approval or denial of a reasonable accommodation request are as follows (Section 18.118.040):

(f) Findings. A written determination to approve, approve with conditions, or deny a request for reasonable accommodation shall be based on the following factors:

- (1) Whether the parcel and/or housing that is the subject of the request for reasonable accommodation will be used by an individual with a disability;
- (2) Whether the request for reasonable accommodation is necessary to make the specific housing available to an individual with a disability;
- (3) Whether the requested reasonable accommodation would impose an undue financial or administrative burden on the City; and
- (4) Whether the requested reasonable accommodation would require a fundamental alteration of the zoning or building laws, policies, and/or other procedures of the City.

Approvals of Reasonable Accommodation requests are made at staff level, by the Zoning Administrator.

The processing fee for a Reasonable Accommodation request is \$846, or the equivalent of a Minor Amendment to an Approved Project. Processing times vary from less than week for over-the-

counter approvals for things like a new access ramp to 2-3 months for larger projects requiring a public hearing.

The Zoning Ordinance Update also includes a staff-level Reasonable Accommodation process, approved by the Director of Community Development. The approval findings are largely the same, but include an extra consideration regarding other, different reasonable accommodations that might have an equivalent level of benefit (Finding F, below):

18.118.060 – Findings and Decision

The written decision to approve, conditionally approve, approve with modifications, or deny a request for Reasonable Accommodation shall be based on consideration of all of the following factors:

- A. The physical attributes of the property and structures;
- B. Whether the housing, which is the subject of the request, will be used by an individual with a disability;
- C. Whether the request for Reasonable Accommodation is necessary to make specific housing available to an individual with a disability;
- D. Whether the requested Reasonable Accommodation would impose an undue financial or administrative burden on the City;
- E. Whether the requested Reasonable Accommodation would require a fundamental alteration in the nature of a City program, policy, procedure, or law, including but not limited to land use and zoning; and
- F. Whether alternative Reasonable Accommodations may provide an equivalent level of benefit.

Building Codes and Enforcement

The City enforces Title 24 of the California Code of Regulations that regulates the access and adaptability of buildings to accommodate persons with disabilities. Government Code Section 12955.1 requires that 10 percent of the total dwelling units in multi-family buildings without elevators, consisting of three or more rental units or four or more condominium units, are subject to the following building standards for persons with disabilities:

- The primary entry to the dwelling unit shall be on an accessible route unless exempted by site impracticality tests.
- At least one powder room or bathroom shall be located on the primary entry level served by an accessible route.



SANTA CLARA HOUSING ELEMENT

- All rooms or spaces located on the primary entry level shall be served by an accessible route. Rooms and spaces located on the primary entry level and subject to this chapter may include but are not limited to kitchens, powder rooms, bathrooms, living rooms, bedrooms, or hallways.
- Common use areas shall be accessible.
- If common tenant parking is provided, accessible parking is required.

Compliance with Building Codes and State accessibility laws and regulations (California Code of Regulations (CCR) Title 24) may increase the cost of housing production and impact the viability of rehabilitating older properties. These regulations are minimum Statewide standards to ensure safety and accessibility and do not significantly contribute to governmental constraints regarding housing for persons with disabilities. In addition, the City does not impose supplemental local requirements with respect to accessibility. Compliance with provisions of the Code of Regulations, California Building Standards Code, and federal Americans with Disabilities Act (ADA) is assessed and enforced by the Building Division of the Community Development Department as a part of the building permit submittal process.

Planning and Development Fees

The City and other agencies assess a number of fees that affect the development and cost of housing. Utility service connection fees; upgrade of public curb, gutter, and sidewalk (and sewer lateral(s) if necessary); permit fees; and dedication requirements are similar or lower compared to those in other communities in Santa Clara County and the Bay Area. In some cases, fees for street trees, drainage, and traffic mitigation are also collected. Table 13.5-5 provides a breakdown of all planning, engineering, and other development fees that may be pertinent to different types of residential projects.

Table 13.5-5: Planning and Development Fees

<i>Application</i>	<i>Fee</i>
Planning Fees	
Architectural Review	\$813-\$32,529
Development Agreement	\$10,844-\$32,529
Environmental Impact Report	\$32,529
General Plan Amendment	\$2,710-\$37,950
Initial Study/ Negative Declaration	\$21,686
Lot Line Adjustment	\$5,422
Mills Act Application	\$7,694
Rezoning	\$8,338-\$65,058
Tentative Parcel Map	\$16,264 - \$21,686
Tentative Subdivision Map	\$5,422-\$21,686
Use Permit	\$5,725-\$13,251
Variance	\$3,187-\$9,473
Vesting Tentative Parcel Map	\$3,650-\$4,950

Table 13.5-5: Planning and Development Fees

<i>Application</i>	<i>Fee</i>
Vesting Tentative Subdivision Map	\$6,060-\$8,970
Zoning Administrator Action	\$463
Zoning Code Text Amendment	\$24,397
Development Fees	
Sanitary Sewer Outlet Charge	\$441.07 per unit; \$1,658.38 per lot; \$7,510.26 per acre
Sanitary Sewer Connection Fee	\$1,140 per unit
Sanitary Sewer Conveyance Fee	\$4,218 per unit
Street Improvements	\$105.51 per foot
Sidewalk Improvements	\$15.35per foot
Street Curb Improvements	\$38.49 per foot
Electric	Varies
Storm Drain	\$7,510.26 per acre
Storm Drain Improvements	\$38.37 per foot
Recreation Tax	\$15 for first bedroom; \$5 for each additional
School Impact Fee	\$4.08 per sq. ft.
Traffic Impact Fee	SF: \$1,274.11 per unit MF: \$566.27 per unit
Park Impact Fee	SF: \$38,068 - \$45,320 MF: \$30,659 - \$36,500

Source(s): City of Santa Clara, 2022

Notes: SF = Single Family, MF = Multi-family.

Park Impact Fee is based on type of project (SF or MF) and geographic location in the City.

Table 13.5-6 compares the planning and development fees calculated for three residential prototype projects of in Santa Clara with all other jurisdictions in Santa Clara County and several other South Bay cities using. Generally, Los Altos Hills, Cupertino, and Sunnyvale charges the lowest highest fees in the area while Campbell's San Jose, the County, and Los Gatos charge the lowest fees fees skew higher. The City of Santa Clara's fees for residential projects are moderate for the region within the County.

Table 13.5-6: Regional Comparison of Planning and Development Total Fees (includes entitlement, building permits, and impact fees) Per Unit

<i>Jurisdiction</i>	<i>Single Family</i>	<i>Small Multi-Family</i>	<i>Large Multi-Family</i>
Campbell	\$72,556	\$20,599	\$18,541
Cupertino	\$136,596	\$77,770	\$73,959
Gilroy	\$69,219	\$40,195	\$39,135
Los Altos Hills	\$146,631	N/A	N/A
Los Gatos	\$32,458	\$5,764	\$3,269
Milpitas	\$77,198	\$74,326	\$59,740
Monte Sereno	\$33,445	\$4,815	\$4,156
Morgan Hill	\$55,903	\$41,374	\$36,396
Mountain View	\$90,423	\$69,497	\$82,591



Table 13.5-6: Regional Comparison of Planning and Development Total Fees (includes entitlement, building permits, and impact fees) Per Unit

<i>Jurisdiction</i>	<i>Single Family</i>	<i>Small Multi-Family</i>	<i>Large Multi-Family</i>
San Jose	\$9,919	\$23,410	\$23,410
Santa Clara	\$72,034	\$64,980	\$62,084
Saratoga	\$64,272	\$17,063	\$15,391
Sunnyvale	\$133,389	\$126,673	\$98,292
Unincorporated County	\$25,166	N/A	N/A

Source(s): Century Urban Report Spring 2022

Note: Prototype project details:

Single Family = 2,600 square foot with 500 square foot garage (total development costs \$2,777,000)

Small Multi-Family = 10 units (total development costs \$7,548,750).

Large Multi-Family = 100 units (total development costs \$70,110,000).

Table 13.5-6 provides the actual development fees for recent development projects in Santa Clara. The In Santa Clara, the total-per dwelling unit fees are moderate when compared with other jurisdictions in the County, and the per dwelling unit fees for multi-family projects are less than for single family projects. and The total fees for the three residential prototype projects represent only a small portion of total development costs (Single Family = 2.6%, Small Multi-Family = 8.6%, Large Multi-Family = 8.8%).

Because application and building fees planning and development fees in Santa Clara are relatively reasonable moderate compared to other jurisdictions in the County and they represent a small percentage of overall development costs, they are not considered a significant constraint to the construction of market-rate or affordable housing. Lower per dwelling unit fees for multi-family projects, compared with fees for single family projects, supports the construction of more naturally affordable multi-family housing. The Park Impact Fee Ordinance was adopted in 2014.

Planning and Development fees have not been a significant constraint to the development of housing in the City of Santa Clara as evidenced by the total of 12,216 units in 34 pending or approved housing projects throughout the City, including several under construction (see Table 13.6-2 Pending and Approved Projects). Most of these projects provide a range of units affordable to different income levels. Seven of these projects are 100-percent affordable at Low and Very Low Income levels.

On- and Off-Site Improvement Requirements

On- and off- site improvements, including public streets, curbing, sidewalks, streetlights, water, sewer, and drainage requirements, have an impact on the cost of residential development. Improvement requirements for new developments are regulated under the Subdivision Ordinance (Chapter 17.05 of the City Code). Off-site improvement requirements are less costly in a fully developed community since infrastructure needed to serve infill development is already

in place. However, the financial burden of improvements as the City's infrastructure ages is a concern. To assist private developers and public projects in the development process, the City has published the Standard Details document which outlines construction standards for the most common improvement requirements, such as sidewalks, storm drains, and sewer connections. This publication is updated periodically and available on the City's website. The standards are as follows:

- Dedication of streets, alleys and other public rights-of-way or easements may be a condition of approval for a tentative, or parcel map. These requirements may be easements that are needed for streets, alleys, access, drainage, public greenways, scenic easements, public utilities, and other public purposes. In addition, these easements or dedications may include requirements for improvements.
- Required on-site street improvements can include construction of curbs, sidewalks, driveway approaches, and transitions.
- Storm drain systems must be designed to collect and convey storm water, avoid damage to adjacent properties, and support the ultimate development of the watershed. Off-site storm drain improvements may also be required to satisfy this requirement.
- Projects must connect to sewer, water, gas, and electric lines.
- Development located in the Utility Underground District, as designated in the current General Plan, is required to underground utility lines (or pay an in-lieu fee).

The City's Project Clearance Committee (a development review committee made up of representatives from different departments in the City) reviews new development applications and determines, pursuant to each City department, required infrastructure improvements and conditions of approval.

Local Processing and Permit Procedures

Development review can affect housing costs. Timelines for permit processing are estimated for various permit and approval types in Table 13.5-6 and Table 13.5-7. There are no constraints to affordable housing or multi-family housing over and above requirements for single-family and market rate units. Moreover, permit processing in Santa Clara is consistent with, if not faster and more effective than, permitting in comparable nearby cities. Project processing, from initial submittal through discretionary review and building permit approval, averages six months for most residential developments.

Table 13.5-7: Planning and Permit Procedures

<i>Type of Approval/ Permit</i>	<i>Processing Time</i>	<i>Approval Body</i>
Ministerial Review	0 to 2 weeks	Staff
Conditional Use Permit	1 and ½ to 4 months	Planning Commission
Zone Change	4 to 9 months	City Council
General Plan Amendments	4 to 9 months	City Council



Table 13.5-7: Planning and Permit Procedures

<i>Type of Approval/ Permit</i>	<i>Processing Time</i>	<i>Approval Body</i>
Site Plan Review	2 to 6 weeks	Staff
Architectural/ Design Review	3 to 12 weeks	Director of Community Development
Tentative Map (fewer than 5 parcels)	3 to 6 months	City Council
Tentative Map (more than 5 parcels)	3 to 6 months	City Council
Initial Environmental Study	3 to 6 months	Approval Body
Environmental Impact Report	12 to 18 months	Approval Body

Source(s): City of Santa Clara, 2022

The following review and hearing bodies would typically be involved in the approval process for a new housing or mixed use development project:

- Project Clearance Committee (PCC): The development review committee made up of representatives from different departments in the City typically including Planning, Public Works (Engineering and Traffic), Utilities (Water, Sewer, and Electric), Police, Fire, and the Building Division.
- Director of Community Development: The Director of Community Development or designee hears projects subject to the Architectural Review process.
- Historical Landmarks Commission (HLC): An appointed commission of members of the public who review proposals and make recommendations related to structures on the local, State, or national register of historic places, as well as applications for Mills Act contracts.
- Planning Commission (PC): An appointed commission of members of the public who review development applications for consistency with the General Plan and Zoning Ordinance of the City of Santa Clara and are the deciding body for variances and Conditional Use Permits.
- City Council (CC): A body of seven elected individuals who act as the governing body for the City of Santa Clara.

Architectural Review Process

Architectural review in Santa Clara is intended to ensure the implementation of Zoning Ordinance standards and General Plan policies. Architectural review is typically required for most residential projects, including multi-family developments, as well as single-family attached developments and developments taller than one story. This process does not provide any additional burden for affordable housing projects and therefore are not considered a constraint to development. This process is codified in Chapter 18.76 of the City's Zoning Ordinance, which was revised in 2020 to create a streamlined process by replacing a committee structure as the

approval body for Architectural Review applications with the Director of Community Development.

Under this process, an applicant submits plans and drawings for any sign, building, structure, or alteration of the exterior of a structure in a form and detail prescribed by the Director of Community Development. The Community Development Director or designee limits decisions on multifamily projects to objective standards in conformance with the State of California's Housing Accountability Act. The following considerations are used by the Director of Community Development in rendering decisions on all Architectural Review applications, which also include commercial and industrial development proposals.

- Off-street parking areas, screening strips and other facilities and improvements must meet the Zoning Ordinance and General Plan intent. Any applicable state legislation that waives or reduces parking standards are applied.
- Design and location of the proposed development and its relation to neighboring developments and traffic will not impair the desirability of the neighborhood, will not create traffic congestion or hazard, and will not be detrimental to harmonious development. For multifamily residential projects, ensuring the application of objective development standards will be used to determine if the development meets this standard.
- Approval will not adversely impact the health, comfort or general welfare of persons residing or working in the neighborhood. For multifamily residential projects, ensuring the application of objective development standards will be used to determine if the development meets this standard.
- The Director of Community Development may require the applicant to modify buildings, parking areas, landscaping, signs, and other facilities and improvements to meet Zoning Ordinance and General Plan requirements.
- The granting of any architectural approval is an administrative function; therefore, the action is final and conclusive, except in the event of an appeal.
- In the event the applicant or others affected are not satisfied with the decision of the Director, they may appeal the decision to the City Council. In the case of permits for single-family homes, the affected parties first appeal is to the Planning Commission, and if still not satisfied, the affected party may appeal to City Council.
- Any architectural review approval granted shall be automatically revoked and terminated if not used within two years of original grant or within the period of any authorized extensions.

Since the City Council adopted the streamlined Architectural Review process in 2020, no Architectural Review applications for multi-family housing have been denied.

A typical residential development project in a standard zoning district would be required to obtain approval through the Development Review Hearing process, heard by the Director of



SANTA CLARA HOUSING ELEMENT

Planning. Such a project would typically be subdivided, requiring a Tentative Map as well. Prior to obtaining these entitlements, projects go through the process of review by the project planner, and by the Project Clearance Committee to work out details and conditions from each City department. The associated environmental review per the California Environmental Quality Act (CEQA) would also be completed during this process. The time it takes to complete this process varies per project. However, from initial submittal to approval, the process typically takes four to six months, or four to 18 months if an EIR is required.

SB 35 Streamlining

In accordance with Government Code section 65913.4 (SB 35 (2017)), applications for multi-family residential development that include a minimum of 50 percent lower income units may be eligible for a streamlined, ministerial approval process if they meet objective standards as outlined in the Government Code. By March 2023, the City will create an SB 35 checklist and written procedures for processing SB 35 applications.

Planned Development

Many residential development projects in the City are processed via the Planned Development (PD) process to integrate uses, utilize imaginative planning and design concepts, subdivide land in a manner that results in units not having required frontage on a dedicated public street, or to create a community ownership project. Through the PD process, the number of units permitted is governed by the General Plan.

A development plan is required to process a PD. The plan must be designed to provide an environment of a stable and desirable character, and comply with the General plan land use designation, and justify the mixture of normally separated uses and exceptions to normal regulations (such as on-site parking, landscaping, building lot coverage, height limits, setback requirements, required distances, and buffering between residential and commercial components). An application for a planned development zoning must accompany the development plan. Construction of the project must begin within two years of the City Council approval. The time to process a PD is estimated between six and 12 months. Given that the City has created conventional/conforming zoning districts that allow densities of at least 100 DU/AC, the use of the PD zoning process is optional.

Table 13.5-8 presents the number of units applied for in the last three years, along with the permit process attached to each unit. Over the last three years a total of 2,730 residential units have been applied for with 220 units, or 8% of the total applied for using the PD zoning process. In addition, new permitting processes mandated by changes to state law such as SB 330 and AB 3194, have created alternate non-discretionary pathways for the approval of projects not consistent with the approved zoning ordinance.

Adoption of the Zoning Ordinance (Action 9 in the Housing Plan) will also eliminate barriers to the by-right non-discretionary approval of Housing projects by creating and applying mixed use zoning districts along the El Camino Real corridor, where PD zonings have typically been used to create housing projects in the absence of adopted zoning designations for the corridor.

Table 13.5-8. Residential permit process, 2020-2022

<u>Year</u>	<u>Architectural Review</u>	<u>PD zoning</u>	<u>ADUs</u>
<u>2020</u>	<u>1,040</u>	<u>114</u>	<u>75</u>
<u>2021</u>	<u>529</u>	<u>106</u>	<u>83</u>
<u>2022</u>	<u>1,684</u>	<u>0</u>	<u>150</u>
<u>Total units applied for 2020-2022 = 2,730</u>			

All new large-scale development projects of at least 25 contiguous acres where a mixture of residential with commercial, office, research and development and/or public uses is proposed are required to be rezoned to the Planned Development-Master Community (PD-MC) zoning district. An application for rezoning to the PD-MC district is submitted as a separate application from the site development application and must include a master community plan that, if approved by the City Council, will become a part of the zoning map of the City of Santa Clara. The master community plan must conform to the City's General Plan and overall residential density must also conform to the City's General Plan, though individual housing types could be greater or less than the average.

An application for development within a PD-MC district must include a development area plan, which may be submitted any time subsequent to submittal of the PD-MC district application. A development area plan must be a minimum of 20 percent of the total acreage of the project or 10 acres, whichever is less. If the development area includes property designated for a public use or is proposed for use as affordable housing, then no minimum acreage shall apply. The Director of Planning and Inspection also has the authority to waive the minimum acreage requirement under exceptional circumstances.

Consideration of development area plans will include notification to surrounding property owners and neighbors in the same fashion as the original master community plan hearings. The Planning Commission is responsible for considering the development area plan application concurrent with or after its consideration of the master community plan application. In general, the time for the processing and review of PD-MC applications averages 12-18 months. This is an appropriate timeframe given the scale of these types of projects, which usually require the



SANTA CLARA HOUSING ELEMENT

preparation of an Environmental Impact Report (EIR). Construction in each development area must begin within two years of final development area plan approval by the City Council. The Planning Commission may also grant extensions of up to two years (per extension). Developments in the PD-MC district are not required to undergo the Architectural Review process. However, most residential development activities in the City do not require the processing of a PD-MC, just a Planned Development (PD) permit.

The Related Santa Clara project, located just north of the stadium is only the second development to use the PC-MC process. The first development, Rivermark, on the site of the Agnews Developmental Center campus, was approved in 2000. Given the constrained nature of the city boundaries and the fact that the city is built out, it is unlikely that developers will be using the PD-MC process in the future.

In the neighboring City of Cupertino, multi-family planned development projects take approximately four months to process, assuming no Environmental Impact Reports (EIR) would be required. However, if an EIR is required, the timeframe can be extended significantly. In Mountain View, another neighboring jurisdiction, the timeframe to process and review a large-scale development is approximately six to 12 months. Similarly, in Santa Clara, the timing for the processing and review of a PD or PD-MC application is largely dependent on the environmental clearance requirements.

The Zoning Ordinance update should reduce the number of projects that have historically relied on the PD process by including new high-density residential and mixed-use zoning districts that conform to the General Plan, and new provisions that streamline the permitting process for projects that meet new objective development standards.

Zoning Transparency

Per AB 1483 (2019), for purposes of zoning and fee transparency, the City of Santa Clara provides the following information online:

The Zoning Ordinance is available on the City's website at:

<https://www.codepublishing.com/CA/SantaClara/#!/SantaClara18/SantaClara18.html>

Zoning designations for every parcel with the City of Santa Clara is available at:

<https://map.santaclaraca.gov/public/index.html?viewer=regional>

The City's Planning Fee schedule is available at:

<https://www.santaclaraca.gov/home/showpublisheddocument/56997/637291919770930000>

Building Codes and Enforcement

Title 24 of the California Code of Regulations, also referred to as the California Building Standards Code (CBSC), governs the design and construction of buildings, facilities, and associated equipment throughout California.

The City of Santa Clara adopted the current 2019 Building Standards Code, with amendments, in November of 2018, and those standards have been in effect since January 1, 2020.

On October 18, 2022 the City Council adopted the 2022 CBSC, with local amendments, to be effective January 1, 2023. The local amendments, which are intended to address building safety concerns of relevance to the City of Santa Clara, include the following elements:

- 2022 California Building Code, Chapter 3 and Chapter 9: Additional automatic fire sprinkler requirements for Group R3 occupancies.
- 2022 California Building Code, Chapter 10: Additional requirements for safe stairway configuration and the routing of emergency exit paths to facilitate emergency egress out of multi-story buildings.
- 2022 California Building Code, Chapter 19: Additional requirements for Structural Plain Concrete in Seismic Design Category C, D, E, or F.

These amendments were found to be prudent and necessary based upon the City's climatic, topographical, and geological conditions and are intended to promote safety for future residents in the context of Santa Clara's urban environment, particularly as the City is increasingly granting land use entitlements for higher density Type III, and in some cases, Type I construction, including the use of towers located above podiums.

The City adopted its first "Reach Code" (optional local energy code amendments that exceed or enhance State code standards) in November 2021, following a long public process. The 2021 Reach Code made local amendments to the 2019 version of the [CBSC](#): specifically, the California Energy Code and the California Green Building Standards Code. The Reach Code mandates the use of electricity as a power source in new construction, limits installation of natural gas plumbing and meters, and increases requirements on new construction to install electric vehicle infrastructure. Non-substantive changes to the 2021 Reach Code were adopted on October 18, 2022 to reflect the 2022 update of the CBSC ("2022 Reach Code").

Existing single-family, duplex, and triplex units are inspected only when an owner seeks a permit for additional construction or when complaints are received. Certain types of major additions require the applicant to bring the building or portion thereof up to current codes. Site improvement standards for residential development in the City, with the exception of minimum parking requirements, are not more restrictive than those in surrounding jurisdictions. Parking ratios for newer multi-family districts, including the Transit Neighborhood and the Patrick Henry Drive districts, are lower than for comparable zoning designations of neighboring cities.



Airport Noise and Use Limitations

The most significant governmental constraint in the City is the State-required airport noise and Airport Land Use Commission regulations that prohibit and limit new housing near the San José International Airport within noise and safety zones. The San José Norman Y. Mineta International Airport is located to the east of, and adjacent to, the City. Noise generated by aircraft using the Airport has a noticeable effect on Santa Clara residents in the area north of the U.S. 101. Proposed housing in these areas is potentially required to have noise limiting construction methods including specially designed windows, walls, and insulation. These additional construction requirements often burden the developer and limit new construction near the airport.

Environmental and Infrastructure Constraints

The parcels identified as housing resources in the 6th cycle Housing Element are largely located in areas with adopted Specific Plans, and those Specific Plans include infrastructure plans that document existing infrastructure and any needed infrastructure improvements to support build-out of those plans, and a strategy for funding those improvements. Further, each specific plan amendment to the General Plan has conducted an Environmental Impact Report (EIR) and the Housing Element itself, upon adoption, will be CEQA compliant.

Water Supply

The City of Santa Clara receives its potable water supply from the San Francisco Public Utilities Commission (SFPUC), the Santa Clara Valley Water District (SCVWD), and groundwater from City-owned wells. In the City's 2020 Urban Water Management Plan (UWMP), the City has confirmed that it is able to meet water demands under all potential hydrologic conditions, as demonstrated by the Drought Risk Assessment required by the State's Water Code.

~~The 2020 UWMPs, which are updated every five years,~~ must demonstrate that the water supplier has sufficient entitlements and infrastructure to meet future water demands in their service area. Future water demands are determined using population growth estimates from the relevant general plan. ~~Water For the City of Santa Clara, water~~ supply is not an identified constraint on housing production. This has been verified in the Environmental Impact Reports for the Specific Plan areas and other housing development projects that comprise the housing units identified in this Housing Element. ~~The addendum to the 2010 General Plan Update for the 6th Cycle Housing Element Update consolidates this information into one place for decision-makers and the public, concluding that there is sufficient existing capacity to accommodate the City's RHNA. The UWMP is updated every five years.~~

The City's Water and Sewer Department ~~has-is in the process of adopting~~ specific procedures to grant priority water and sewer service to developments with units affordable to lower-income households. (Gov. Code, § 65589.7.) ~~If this provision is not a part of the City's regulatory~~

~~framework, the City commits to adopting it within the next calendar year.~~ An implementing action (Action 20, Water and Sewer Affordable Housing Service Provisions) has been added to the Housing Plan.

The SCVWDs 2020 UWMP has also indicated that it will be able to provide all water demands for Santa Clara County (including the City of Santa Clara) through 2045.

Wastewater

Wastewater is collected by sewer systems in the cities of Santa Clara and San José and conveyed by pipeline to the San José - Santa Clara Regional Wastewater Facility (RWF). If existing water treatment facilities would be insufficient to service the increased population anticipated by a general plan, the UWMP must identify new or expanded water treatment facilities to meet the additional need. If a development project is compliant with its general plan, that project's impact to water treatment facilities would be captured and planned for in the corresponding UWMP. If a development project is not compliant with its general plan designation, it will require evaluation to determine if it independently triggers a need for new or expanded facilities. The Housing Element is compliant with the City's General Plan, as amended. As such, the project's water demand is consistent with City of Santa Clara's 2020 UWMP population growth projection. Therefore, the Housing Element's impact to water treatment facilities is captured in the City of Santa Clara's 2020 UWMP, and the identified housing resources in the Housing Element do not trigger a need for additional water treatment facilities. This impact would be less than significant, and no mitigation would be required.

Energy

The City of Santa Clara owns and operates the municipal electric utility, Silicon Valley Power (SVP), which services over 57,000 residential, commercial, and industrial customers in the City of Santa Clara. It owns, operates, and participates in more than 590 megawatts of electric generating resources supplemented by purchase agreements for 261 megawatts (MW) of additional capacity. In an average year, approximately 45 percent of SVP-owned generating capacity comes from renewable energy sources—either geothermal, hydroelectric, or wind. Residential electricity demand is low compared with the energy needs of data centers and other high-tech firms that are located in Santa Clara.

In 2022, the City updated the Santa Clara Climate Action Plan to establish GHG emissions reduction measures that the City will implement to achieve the State-recommended GHG emissions reductions which include a near term reduction in GHG emissions by 2030 (SB32). The Climate Action Plan's primary goals include a transition to clean renewable energy, diversion of waste, and promoting energy efficiency, water conservation, and climate resiliency.



Street System

Vehicular circulation in the City includes a wide network of surface streets. With the influx of workers into the job-rich City during the day, commute patterns are northbound in the morning and southbound in the evening. Existing and perceived future traffic delays are a major concern of Santa Clara residents, as expressed by during community outreach activities. Since most of the City streets are fully improved with limited opportunity for widening, alternative travel modes, such as public transit, bicycling, and walking, offer opportunities to address traffic constraints.

The parcels identified as housing resources in the 6th cycle Housing Element are located in areas with adopted Specific Plans which identify and accommodate infrastructure needs and requirements. Any mitigation required is identified in each specific plan's EIR.

Seismic, Geologic, and Soil Hazards

The San Francisco Bay Area is a seismically active region with numerous active faults. No active faults run through the City, although several are present in the surrounding region. Geologists with the U.S. Geological Survey and other agencies foresee a 62 percent probability of a magnitude 6.7 or greater earthquake in the San Francisco Bay region before 2032. Seismic, Geologic, and Soils Hazards are more specifically addressed in each specific plan's EIR.

Flooding

The principal surface water drainages in the City are the San Tomas Aquino Creek, Saratoga Creek, and Calabazas Creek, which all originate in the Santa Cruz Mountains and drain northward across the urbanized Santa Clara Valley floor before discharging into the San Francisco Bay. All of these creeks have been channelized and substantially modified to reduce flood hazards in the City. The City's storm drain system is managed by the City of Santa Clara Public Works Department and consists of curb inlets that collect and channel surface water into a series of pipelines beneath City public rights-of-way. Stormwater is conveyed through these underground pipelines to the channelized creeks within the City, which then flow into the San Francisco Bay. During severe storms, flooding can occur in localized areas along streams running through the City.

Flood zone mapping by the Federal Emergency Management Authority (FEMA) indicates that approximately ten percent of the City is located within a Special Flood Hazard Area (SFHA). None of the areas identified on the sites inventory/where housing development is approved/proposed are located in a SFHA.

Non-Governmental Constraints

Locally and regionally, there are several constraints that hinder the City's ability to accommodate the community's housing needs. The high cost of land, rising development costs, and neighborhood opposition make it expensive for developers to build affordable housing. These constraints may result in housing that is not affordable to low and moderate income households or may render residential construction economically infeasible for developers. While local government has little influence on larger market factors such as interest rates, its policies and regulations can act as constraints that affect both the amount of residential development that takes place and the affordability of housing.

Land Availability

In 2022, fewer than five acres of vacant parcels (including right-of-way properties) are zoned for residential or mixed use development throughout the City, including in the three focus areas for future development (El Camino Real, Lawrence Station, and Tasman East). Of those sites identified as appropriate for new housing, some are too small to accommodate higher density development unless combined with adjacent parcels. The City revised its General Plan designations in 2010, which were supplemented through the Specific Plan process, to encourage high-quality infill redevelopment that includes higher-density housing in addition to commercial businesses in some locations. According to the City of Santa Clara website, there are currently 64 development projects pending, approved, under construction or completed, with most projects clustered around El Camino Real, Lawrence Station, and Tasman East.

Community Resistance

Historically there has been community opposition to higher density residential infill development proposed along major transportation corridors, particularly when that development is located directly adjacent to long-established single-family neighborhoods. The relatively shallow depth of many of these properties can make the transition between existing low density single-family homes and proposed higher density residential challenging. Several substantial medium- and high-density developments have, however, been approved in spite of such opposition. Over the past 20 years, affordability for lower and moderate income households has not been the primary concern for community opposition to residential development. Instead, community resistance has been based on density, traffic impacts, and parking.

Approximately 247 acres of vacant and underutilized land has been approved, through adoption of Specific Plans, for new higher-density residential or mixed use redevelopment in three focus areas: Lawrence Station, Tasman East, and Patrick Henry Drive. Directing higher density housing to commercial areas, with convenient access to transportation and retail services, and separation from lower-density existing neighborhoods may reduce community opposition. City regulations



that require appropriate transitions between uses and densities, and adequate parking, could reduce some of community opposition to the approval of new housing.

In addition, the enactment of AB 680 in 2022 mandates ministerial approval along commercial corridors of most residential projects that meet the minimum density requirements of that bill. Such projects must provide an affordability component to qualify, such as 15% low-income units, but this affordability percentage is already mandated by the City's inclusionary zoning ordinance, and so all projects with at least 10 units will meet the affordability requirement of AB 680. Given that the City will no longer have the discretion to deny such projects, community resistance will not be able to stop such projects from going forward along commercial corridors.

National Construction Costs

Market constraints substantially influence the cost of housing and pose a challenge to providing housing affordable for all income levels. Land prices are typically the most significant component of the cost. The cost of land has increased rapidly over the past decade. Construction costs and fluctuating interest rates are also major contributors to the increasing cost of housing in the San Francisco Bay Area.

Construction costs vary widely according to the type of development, with multi-family housing generally less expensive to construct than single-family homes. However, wide variation within each construction type exists depending on the size of the unit and the number and quality of amenities provided. Construction costs can be broken down into two primary categories: materials and labor. A major component of the cost of housing is the cost of building materials, such as wood and wood-based products, cement, asphalt, roofing materials, and pipe. The availability and demand for such materials affect prices for these goods. An indicator of construction costs is Building Valuation Data compiled by the International Code Council (ICC). The unit costs compiled by the ICC include structural, electrical, plumbing, and mechanical work, in addition to interior finish and normal site preparation. The data is national and does not consider regional differences and does not include the price of the land upon which the building is built. The national average for development costs per square foot for apartments and single-family homes in the first quarter of 2022 are \$150-\$500 per square foot depending on size and type, with an average of approximately \$200 per square foot.

For multi-family apartment buildings, the type of parking is a key variable in the overall cost of construction. For lower density buildings (2-4 story wood-frame buildings), in which surface parking is provided, construction costs are in the \$175 per square foot range. For projects that include structured parking, the garage construction costs add about \$20,000 per parking stall to the \$175 per square foot for the units. Site-specific constraints, such as flood hazards, could add additional costs if mitigations are required. Again, depending on the size and type of construction the national average is \$35,000 to \$65,000 per unit.

These costs also exclude the cost of land and soft costs, such as entitlements and financing. Reduction in amenities and the quality of building materials (above a minimum acceptability for health, safety, and adequate performance) could lower costs and associated sales prices or rents. In addition, prefabricated factory-built housing may provide for lower priced housing by reducing construction and labor costs. Another factor related to construction costs is development density. As the number of units increases, overall costs generally decrease due to economies of scale. The City's ability to mitigate high construction costs is limited without direct subsidies.

Fee Analysis

Below is a fee analysis for two single family and two multifamily scenarios that illustrate the approximate fees for the hypothetical projects. Some fees are project specific and will be calculated based on the project type, location, and narrative.

Table 13.5-8: Fee Analysis Scenarios

Single-Family A new home on an empty lot in an existing neighborhood; no significant grading or other complicating factors	Scenarios <i>Single-Family</i> Small: 2,600 residential sq ft Large: 5,000 residential sq ft *Assuming no parking
Multi-Family A new multi-family project on an empty lot in an existing neighborhood; no significant grading or other complicating factors	<i>Multi-Family</i> Small: 10,000 residential sq ft + 3,750 parking sq ft; 10 units Large: 93,750 residential sq ft + 40,000 parking sq ft; 100 units

Table 13.5-9: Fee Analysis

<i>Action/Activity</i>	<i>Fee</i>
PLANNING ENTITLEMENT FEES	
Pre-Application	
- Single Family	\$476 + Technology Fee (3.37%)
- Planning Review	\$3,179 + Technology Fee (3.37%)
- Project Clearance Committee Review	\$5,442 + Technology Fee (3.37%)



SANTA CLARA
HOUSING ELEMENT

Table 13.5-9: Fee Analysis

<i>Action/Activity</i>	<i>Fee</i>
Architectural Review <ul style="list-style-type: none"> - Over the Counter - Single Family (that requires a Development Review Hearing) - New development/—Non-Single FamilySFR - Design Consultant Review 	No Charge \$893 + Technology Fee (3.37%) \$32,529 + Technology Fee (3.37%) Deposit of Consultant Estimated Costs + Citywide Overhead + Technology Fee (3.37%)
Stormwater Management Plan Review	\$813

BUILDING PERMIT FEES

Single-Family/Duplex/ADU Residential Scaled Permit Fee

Plan Check <u>Project Size</u> 1 to 250 sq. ft. 251 to 1,000 sq. ft. <ul style="list-style-type: none"> - First 250 sq. ft. - Each additional 100 sq. ft. or fraction thereof 1,001 to 3,000 sq. ft. <ul style="list-style-type: none"> - First 1,000 sq. ft. - Each additional 100 sq. ft. or fraction thereof 3,001 to + <ul style="list-style-type: none"> - First 3,000 sq. ft. - Each additional 100 sq. ft. or fraction thereof 	\$656.55 + Technology Fee (3.37%) \$656.55 + Technology Fee (3.37%) \$262.62 + Technology Fee (3.37%) \$2,626.23 + Technology Fee (3.37%) \$131.31 + Technology Fee (3.37%) \$5,252.45 + Technology Fee (3.37%) \$65.66 + Technology Fee (3.37%)
Inspection <u>Project Size</u> 1 to 250 sq. ft. 251 to 1,000 sq. ft. <ul style="list-style-type: none"> - First 250 sq. ft. - Each additional 100 sq. ft. or fraction thereof 1,001 to 3,000 sq. ft. <ul style="list-style-type: none"> - First 1,000 sq. ft. - Each additional 100 sq. ft. or fraction thereof 3,001 to + <ul style="list-style-type: none"> - First 3,000 sq. ft. - Each additional 100 sq. ft. or fraction thereof 	\$737.10 \$737.10 \$226.05 \$2,432.42 \$191.64 \$6,265.31 \$95.82

Table 13.5-9: Fee Analysis

Action/Activity	Fee
Commercial/Multi-Family/Industrial Scaled Permit Fee	
Plan Check	
<u>Project Valuation</u>	
\$1 to \$1,000	\$109.42 + Technology Fee (3.37%)
\$1,001 to \$10,000	
- First \$1,000	\$109.42 + Technology Fee (3.37%)
- Each additional \$1,000 or fraction thereof	\$18.23 + Technology Fee (3.37%)
\$10,001 to \$75,000	
- First \$10,000	\$273.56 + Technology Fee (3.37%)
- Each additional \$1,000 or fraction thereof	\$15.99 + Technology Fee (3.37%)
\$75,001 to \$150,000	
- First \$75,000	\$1,313.12 + Technology Fee (3.37%)
- Each additional \$1,000 or fraction thereof	\$20.34 + Technology Fee (3.37%)
\$150,001 to \$750,000	
- First \$150,000	\$2,845.07 + Technology Fee (3.37%)
- Each additional \$1,000 or fraction thereof	\$7.10 + Technology Fee (3.37%)
\$750,001 to \$3,000,000	
- First \$750,000	\$7,112.69 + Technology Fee (3.37%)
- Each additional \$1,000 or fraction thereof	\$5.00 + Technology Fee (3.37%)
\$3,000,001 to \$10,000,000	
- First \$3,000,000	\$18,383.57 + Technology Fee (3.37%)
- Each additional \$1,000 or fraction thereof	\$2.93 + Technology Fee (3.37%)
\$10,000,001 to +	
- First \$10,000,000	\$38,955.65 + Technology Fee (3.37%)
- Each additional \$1,000 or fraction thereof	\$1.46 + Technology Fee (3.37%)
Inspection Permit	
\$1 to \$1,000	\$92.13 + Technology Fee (3.37%)
\$1,001 to \$10,000	
- First \$1,000	\$92.13 + Technology Fee (3.37%)
- Each additional \$1,000 or fraction thereof	\$38.90 + Technology Fee (3.37%)
\$10,001 to \$75,000	
- First \$10,000	\$441.47 + Technology Fee (3.37%)
- Each additional \$1,000 or fraction thereof	\$18.15 + Technology Fee (3.37%)



SANTA CLARA
HOUSING ELEMENT

Table 13.5-9: Fee Analysis

<i>Action/Activity</i>	<i>Fee</i>
\$75,001 to \$150,000 - First \$75,000 - Each additional \$1,000 or fraction thereof	\$1,621.60 + Technology Fee (3.37%) \$23.10 + Technology Fee (3.37%)
\$150,001 to \$750,000 - First \$150,000 - Each additional \$1,000 or fraction thereof	\$3,353.80 + Technology Fee (3.37%) \$10.07 + Technology Fee (3.37%)
\$750,001 to \$3,000,000 - First \$750,000 - Each additional \$1,000 or fraction thereof	\$9,397.97 + Technology Fee (3.37%) \$4.01 + Technology Fee (3.37%)
\$3,000,001 to \$10,000,000 - First \$3,000,000 - Each additional \$1,000 or fraction thereof	\$18,427.40 + Technology Fee (3.37%) \$3.72 + Technology Fee (3.37%)
\$10,000,001 to + - First \$10,000,000 - Each additional \$1,000 or fraction thereof	\$44,502.16 + Technology Fee (3.37%) \$1.85 + Technology Fee (3.37%)
Technology Fee	3.37% of Building Permit Fee, Electrical Permit Fee, Plumbing Permit Fee, Mechanical Permit Fee, and Plan Check & Sign Fee
Building Conformance Fee	Valuation x \$0.00032
Plan Review Fees	
Plan Review Fee (including building, mechanical, electrical & plumbing)	75% of building permit fee
Title 24 Energy Conservation Plan Review	20% of building permit fee
3-B Electrical Permit Fees	
Minimum Permit Fee	\$209 + Technology Fee (3.37%)
Permit Issuance	\$87 + Technology Fee (3.37%)
System Fee Schedule	
New Buildings or Alterations	
- Residential (per sq ft.)	\$0.22/sq ft. + Technology Fee (3.37%)
- New Garages, Carports and Accessory Buildings (per sq ft.)	\$0.08/sq ft + Technology Fee (3.37%)

Table 13.5-9: Fee Analysis

<i>Action/Activity</i>	<i>Fee</i>
3-C Mechanical Permit – New Buildings	
Residential	\$0.08/sq ft. + Technology Fee (3.37%)
3-C Plumbing Permit – New Buildings	
Residential	\$0.08/sq ft. + Technology Fee (3.37%)
3-G Grading Plan Review Fees	
50 cubic yards or less	No Fee
51 to 100 cubic yards	\$329.00 + Technology Fee (3.37%)
101 to 1,000 cubic yards	\$875.00 + Technology Fee (3.37%)
1,001 to 10,000 cubic yards	\$1,312.00 + Technology Fee (3.37%)
10,001 to 100,000 cubic yards – base	\$2,188.00 + Technology Fee (3.37%)
Each additional 10,000 cubic yards	\$97.00 + Technology Fee (3.37%)
100,001 to 200,000 cubic yards – base	\$3,063.00 + Technology Fee (3.37%)
Each additional 10,000 cubic yards	\$219.00 + Technology Fee (3.37%)
200,001 cubic yards or more – base	\$5,252.00 + Technology Fee (3.37%)
Each additional 10,000 cubic yards	\$110 + Technology Fee (3.37%)
3-H Grading Permit Fees	
100 cubic yards or less	\$441.00 + Technology Fee (3.37%)
101 to 1,000 cubic yards – base	\$441.00 + Technology Fee (3.37%)
Each additional 100 cubic yards – base	\$73.00 + Technology Fee (3.37%)
1,001 to 10,000 cubic yards	\$1,106.00 + Technology Fee (3.37%)
Each additional 1,000 cubic yards	\$49.00 + Technology Fee (3.37%)
10,001 to 100,000 cubic yards – base	\$1,547.00 + Technology Fee (3.37%)
Each additional 10,000 cubic yards	\$196.00 + Technology Fee (3.37%)
100,001 cubic yards or more – base	\$3,316.00 + Technology Fee (3.37%)
Each additional 10,000 cubic yards	\$98.00 + Technology Fee (3.37%)
Multi-Family Monitoring Fee	\$119/unit
AHA Affordable Housing Agreements – For Sale	\$3,771/agreement
Affordable Housing Application Fee	\$50/application
AHA Affordable Housing Agreements – MF For Rental	\$5,113/agreement
AHA Affordable Housing Agreements – Amendments	\$1,990/agreement



Table 13.5-9: Fee Analysis

<i>Action/Activity</i>	<i>Fee</i>
DEVELOPMENT IMPACT FEES	
Affordable Housing Fees For Sale <ul style="list-style-type: none"> - Residential - Single Family Home - Townhome - Condominium 	Fees shall be equal to the difference between the unrestricted appraised market value ("Initial Market Value") of the unit and the Affordable Sales Price of the unit, multiplied by the fractional amount due. The Initial Market Value of the last unit sold shall be the basis for calculating the in-lieu fee
Rental Residential Any tenure type	\$22.22/sq ft
Traffic Impact Fee <ul style="list-style-type: none"> - Multi-family Residential - Single-family Residential 	\$566.27/dwelling unit \$1,274.11/dwelling unit
School Fee	\$4.08/sq ft
Park Fee <ul style="list-style-type: none"> - Multi-family Residential - Single-family Residential 	\$30,659 - \$36,500 \$38,068 - \$45,320
ELECTRIC UTILITY	
Engineering Plan Check Electric, per sheet <ul style="list-style-type: none"> - 1st – 3rd check - 4th and subsequent review 	\$292.48/sheet \$41.63/sheet
Time of Use Meter Installation – Residential	\$298.89/meter
FIRE/STATE MANDATED	
Building Plans <ul style="list-style-type: none"> - 30% of Building Department Fee - Minimum: 3.5 hours 	\$756
Planning Application Review	\$865
Design Review/Consultation	\$216/hour
Miscellaneous Inspections/Plan Reviews	\$216/hour

Table 13.5-9: Fee Analysis

<i>Action/Activity</i>	<i>Fee</i>
PUBLIC WORKS	
Sanitary Sewer Outlet (choose the greatest)	
Residential – Single Family	
- Per unit	\$441.07/unit
- Per lot	\$1,658.38/lot
- Per acre	\$7,510.26/acre
Conveyance Fee	\$4,218/dwelling unit
Condo & Planned Unit Development	
- Per unit	\$441.07/unit
- Per acre	\$7,510.26/acre
Conveyance Fee	\$4,218/dwelling unit
Recreation Tax (Bedroom) New Construction Permit	
- First bedroom	\$15
- Each additional	\$5/bedroom
Project Clearance Committee Review:	
- Preliminary application	\$861.44
- Architectural review	\$861.44
Cost Analysis for Development	
- Minor (ADU, SFR, Up to 4 Residential Units)	\$416.31
- Major	\$1,011.95
Engineering Plan Review – Initial Review	
- First three (3) reviews	\$168/sheet
- Fourth and subsequent review	\$34/sheet
WATER/SEWER	
Wastewater Treatment Plant Capacity Fee	Project Specific
Engineering Plan Review	Project Specific
Project Clearance Committee Review	\$601

Hard Costs

Hard costs for a hypothetical 2,600 square foot home are about \$420 per square foot, while for a 5,000 square foot home they are about \$525 per square. For a hypothetical small multi-family unit, the hard costs are \$415 per square foot, and \$425 per square foot for a large multi-family unit.



Soft Costs

Soft costs are generally assumed to be around 30% of hard costs (plus 5% contingency). Generally, single family soft costs are \$133 per square foot for small and \$147 per square foot for large. Multifamily soft costs range between \$165 and \$159 per square foot.

Land Costs

According to the California Building Industry Association, the cost of land represents a substantial portion of the total housing development cost but has little impact on the maintenance and improvement of existing stock. In many markets, up to 25 percent of housing costs are attributable to land costs. The average land costs in California are significantly higher than land costs in other states.

Land costs for single family homes are between \$210,000 and \$2,510,000. Land costs for apartments and condos range between \$400,000 and \$1,600,000. Due in large part to limited land availability in the City, residential land has not been widely available for sale. High costs will continue to present challenges for the production of affordable housing in the City.

Availability of Financing

The availability of financing affects a person's ability to purchase or improve a home. The primary concern in a review of lending activity is to see whether home financing is generally available in the community. Financing new residential development can be a significant cost; however, residential financing for both single family and multiple family housing is generally available. Developers of single-family projects often secure loans for land acquisition, installation of improvements, and construction. Land acquisition and development loan rates are typically the prime rate plus 0.5 to 2 percent, which is currently, in 2022, between 3.99 to 5.4 percent. Mortgage rates were low for previous years but are now increasing. Apartment loan rates are generally lower. Developers of affordable housing face significant challenges in securing financing. Due to the limited possible return from rents or sales prices of affordable units, many private lenders are unable to finance affordable projects due to the rate of return. Thus, affordable developers must rely on community lending divisions, nonprofit institutions, grants and special loans, and local assistance.

This page was left intentionally blank.



SANTA CLARA HOUSING ELEMENT

<u>Government Constraints.....</u>	<u>1</u>
<u>Environmental and Infrastructure Constraints</u>	<u>26</u>
<u>Non-Governmental Constraints</u>	<u>29</u>

List of Tables

<u>Table 13.5-1: 2010-2035 General Plan Land Use Designations (Residential).....</u>	<u>2</u>
<u>Table 13.5-2: Residential Development Standards</u>	<u>5</u>
<u>Table 13.5-3: Parking Standards.....</u>	<u>7</u>
<u>Table 13.5-4: Permitted Housing Types Within Residential Zoning Classifications.....</u>	<u>8</u>
<u>Table 13.5-5: Planning and Development Fees</u>	<u>16</u>
<u>Table 13.5-6: Regional Comparison of Planning and Development Total Fees Per Unit</u>	<u>17</u>
<u>Table 13.5-7: Planning and Permit Procedures</u>	<u>19</u>
<u>Table 13.5-8: Fee Analysis Scenarios</u>	<u>31</u>
<u>Table 13.5-9: Fee Analysis</u>	<u>31</u>

Chapter 13.6

Housing Resources

This section analyzes the resources available for the development, rehabilitation, and preservation of housing in Santa Clara. This includes an evaluation of the availability of land resources, the City's ability to satisfy its share of the region's future housing needs, the financial resources available to support the provision of affordable housing, and the administrative resources available to assist in implementing the City's housing programs.

Availability of Sites for Housing

A critical component of the Housing Element is the identification of land suitable for residential development including vacant sites and sites having the potential for redevelopment. Santa Clara is a highly urbanized community that has very little vacant, uncommitted land for new development. The following discussion summarizes the residential growth potential in each of these areas and concludes with an assessment of how these sites can address the City's share of regional housing needs.

Regional Housing Needs Allocation (RHNA)

California General Plan law requires that every city and county have properties appropriately zoned to accommodate their fair share of regional housing need. The California Department of Housing and Community Development (HCD) allocates a numeric regional housing goal to the Association of Bay Area Governments (ABAG). ABAG is then mandated to distribute the numerical goal among the cities and counties in the region. This share is known as the Regional Housing Needs Allocation (RHNA). The RHNA process' goal is to ensure a fair distribution of new housing construction among cities and counties in the region so that every community may plan for a mix of housing types for all economic segments. The housing allocation targets are not building requirements; rather, they are planning goals for each community to accommodate through appropriate planning policies and land use regulations. Allocation targets are intended to ensure that adequate sites and zoning are made available to address anticipated housing demand during the Housing Element planning period.

The sixth cycle RHNA for the ABAG region covers an eight-year planning period (January 31, 2023 – January 31, 2031) and is divided into four income categories: very low, low, moderate, and above moderate. HCD determined that the projected housing need for the Bay Area region (including the counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma) is 444,176 new housing units for this Housing Element planning



SANTA CLARA HOUSING ELEMENT

period. As determined by ABAG, the City of Santa Clara's allocation for the 2023-2031 planning period is 11,632 housing units, with the units distributed among the four income categories as shown in Table 13.6-1.

Table 13.6-1 City of Santa Clara RHNA 2023-2031

<i>Income Group</i>	<i>Income Category (% AMI)</i>	<i>RHNA (Housing Units)</i>	<i>Percentage of Total Housing Units</i>
Very Low	<50%	2,872	25%
Low	50-80%	1,653	14%
Moderate	80-120%	1,981	17%
Above Moderate	>120%	5,126	44%
Total		11,632	100%

Source(s): Final Regional Housing Needs Allocation (RHNA) Plan: San Francisco Bay Area, 2023-2031, Updated March 2022.

Note(s):

1 AMI = Area Median Income

2 Pursuant to AB 2634, local jurisdictions are required to project the housing needs of extremely low-income households (0-30% AMI) and consider this income group a subset of the very low-income category. In estimating the number of extremely low-income households, a jurisdiction can use 50% of the very low-income allocation or apportion the very low-income figure based on Census data.

Progress Toward the RHNA

Since the RHNA uses June 30, 2022, as the baseline for growth projections for the 2023-2031 Housing Element planning period, jurisdictions may claim units approved and proposed that are anticipated to be complete (have a Certificate of Occupancy) after June 30, 2022.

Approved and proposed residential development projects credited toward the RHNA include a variety of affordable and market-rate projects in various stages of the development process. Most of these projects are concentrated within Specific Plan areas and along major thoroughfares, where residential development is expected to continue throughout the planning period. These projects are credited toward the RHNA based on the affordability and unit count of the development. Combined, a total of 11,946 units are expected to be completed within the planning period, as shown in Table 13.6-2.

Approved Projects

Approved residential development projects credited toward the 2023-2031 RHNA have been reviewed for compliance with applicable Codes and regulations and have received planning entitlement approval. These projects will proceed through the building permit application review, issuance, and construction process with anticipated completion and occupancy permits to be finalized on or after June 30, 2022.

Pending or Proposed Projects

~~Seven-Six~~ projects in various stages of planning review are included as proposed projects. These sites are included although there is no certainty those units will be achieved because the proposals have not been approved, are currently under staff review, or are pending ~~a~~ a formal application submittal. The identified realistic capacity for these sites is the total units included in the preliminary proposals.

To help ensure that pending pipeline and proposed projects will complete the development process and result in new units, the City has included an additional sub-action ongoing objective for under Action 10, Provide a Variety of Housing Types Adequate Sites Inventory. The Planning Division will included a narrative and table within the City's Annual Progress Report that describes the status of projects listed in HE-Table 13.6-2, Pending and Approved Projects, and will monitor status of the projects; when an entitlement is nearing expiration, the Planning Division will proactively notify applicants to apply for an extension.

In Addition, the Zoning Code Update will allow administrative extensions for entitlements Development approvals are generally permitted for 2 years initially, and then two 1-year administrative extensions are allowed, which saves time and eliminates that possibility of adding conditions. The current process requires going through entitlement process again for extension.

The administrative time extension process has been added to Action 9, Zoning Code Amendments Ordinance.

Since there is no guarantee that the projects will be approved or developed, in the case a proposed development falls through, the sites are still available to accommodate those identified units and may be able to count toward the lower-income RHNA depending on site density and size. Affordability for these projects is assumed based on the site's location per Specific Plan requirements, the City's inclusionary housing ordinance requirements, or a developer/affordable housing agreement. The status of the following projects is as of December 2022.

As shown in Table 13.6-2 below, the total of all pending and approved projects is 12,216 units, which is 584 units more than the City's total RHNA of 11,632 units. Because the majority of pending and approved projects fall within the above moderate affordability category (10,273 units), the After credits, approved, and pending projects are considered, the City has a remaining RHNA of 4,899-563 units in the very low, low, and moderate affordability categories.



Table 13.6-2 Pending and Approved Projects

Site/Credit Type	AFFORDABILITY CATEGORIES					Project Status	Affordability
	Very Low [0-50% AMI]	Low [50-80% AMI]	Moderate [80-120% AMI]	Above Moderate [above 120% AMI]	Total Units		
RHNA 2023-2031	2,872	1,653	1,981	5,126	11,632		
Tasman East Focus Area Specific Plan (TE)							
TE 2233 Calle Del Mundo (St. Anton)	37	-158	23	1721	196	Under Construction	per Sect. 17.40.115 of City Code: 12% affordable at 100% AMI <u>per Affordable Housing Agreement</u>
TE 2300 Calle De Luna (Related California)	-	-	84	616700684	700684	Under Construction	per Sect. 17.40.115 of City Code: 12% affordable at 100% AMI
TE 5123 Calle Del Sol (Ensemble) - Phase I & II	-	-	60	503442	503	Approved/Under Construction ¹	per Sect. 17.40.115 of City Code: 12% affordable at 100% AMI
TE 2200 Calle De Luna (Holland)	-	-	69	510	580579	Approved	per Sect. 17.40.115 of City Code: 12% affordable at 100% AMI
TE 2225 Calle de Luna & 2232 Calle del Mundo	-	-	44	326	371370	Approved	per Sect. 17.40.115 of City Code: 12% affordable at 100% AMI
TE 2263 Calle Del Mundo (Ensemble)	-	-	936	301264	301	Approved	per Sect. 17.40.115 of City Code: 12% affordable at 100% AMI
TE 2302/2310 Calle Del Mundo (Ensemble)	-74	-76	18	1321	151	Approved <u>/Under Construction</u>	per Affordable Housing Agreement per Sect. 17.40.115 of City Code: 12% affordable at 100% AMI
TE 2343 Calle Del Mundo (Summerhill)	-	-	41	305	347346	Approved	per Sect. 17.40.115 of City Code: 12% affordable at 100% AMI
TE 2354 Calle Del Mundo (Ensemble)	-	-	10	78	8988	Approved	per Sect. 17.40.115 of City Code: 12% affordable at 100% AMI
TE 2101 Tasman Drive (Related California)	-	-	114	836950	950	Proposed	per Sect. 17.40.115 of City Code: 12% affordable at 100% AMI
TE 5185 Lafayette <u>Street</u> (Ensemble)	-	-	3215	238183	271198	Proposed	per Sect. 17.40.115 of City Code: 12% affordable at 100% AMI
subtotal TE project(s)	-111	-234	531179	3,919842	4,459366		
Patrick Henry Drive Focus Area Specific Plan (PHD)							
PHD Summerhill	165	15	15	255261	300307	Proposed <u>Approved</u>	per adopted SP: 15% affordable - 5/5/5 split at 50%/80%/120% AMI
PHD Sares Regis	40	40	40	680	800	Pre-application ²	per adopted SP: 15% affordable - 5/5/5 split at 50%/80%/120% AMI
PHD Walnut Hill	20	20	20	353	416413	Pre-application ³	per adopted SP: 15% affordable - 5/5/5 split at 50%/80%/120% AMI
subtotal PHD project(s)	7576	75	75	1,288294	1,516513	-	
Lawrence Station Area Plan (LSAP)							
LSAP 3580 Rambla Pl (Summerhill)	-	5	48	233	286	Under Construction	per Affordable Housing Agreement
LSAP 2961 Corvin Drive (Toll Brothers)	-	-	4	34	38	Under Construction	per Affordable Housing Agreement
LSAP 3305 -Kifer Road (Toll Brothers)	-	-	5	40	45	Under Construction	per Affordable Housing Agreement
LSAP 3517 Ryder St (Westlake Urban)	-	-	-	328	328	Approved	Exempt, no affordability component
subtotal LSAP project(s)	-	5	57	635	697	-	
Freedom Circle Focus Area							
3905 Freedom Circle Mixed-Use Project (Greystar)	54	54	5454	914913	1,075075	Approved	per Affordable Housing Agreement: 15% affordable - 5/5/5 split at 50%/80%/120% AMI

Site/Credit Type	AFFORDABILITY CATEGORIES					Project Status	Affordability
	Very Low [0-50% AMI]	Low [50-80% AMI]	Moderate [80-120% AMI]	Above Moderate [above 120% AMI]	Total Units		
subtotal FC project(s)	54	54	5454	914913	1,075075	-	
Other							
1601 Civic Center Drive	106		2		108	Approved	
80 Saratoga Avenue	40	158	2		200	Approved	
3575 De La Cruz Boulevard	5	8	2		15	Approved	
Villa Bella Residential Project	-	4	4	48	56	Under Construction	per Inclusionary Ordinance: 15% affordable at 100% AMI
3035 El Camino Real Residential Project	-	-	4	44	48	Under Construction	per Affordable Housing Agreement: 10% affordable at or below 100% AMI + 0.8 fractional in-lieu fee/distribution of affordable units - averages to a maximum of 100 percent Area Median Income
3945 Stevens Creek Blvd - The Meridian	-	5859	-	-1	59	Under Construction	per Developer <u>Density Bonus</u> Agreement: 100% affordable at 80% AMI
2330 Monroe Street Affordable Housing Project (Freebird)	4832	1632	-	1	65	Under Construction	per Affordable Housing Agreement: 100% affordable (minus 1 managers unit) - 50/50 split at V LOW/LOW
Agrihood Mixed-Use Development Project	1089	554	18	144180	325361	Under Construction	per Affordable Housing Agreement: 160 mixed-income apartments (10% affordable at 120% AMI (16 units)) and 165 affordable senior apartments (54 units at 30% AMI; 55 units at 50% AMI; 54 units at 60% AMI; 2 units at 120% AMI)
Laguna Clara II (Equity)	-	-	9	174	183	Under Construction	per <u>Pending</u> Affordable Housing Agreement: 5% affordable at 100% AMI
Gateway Crossings (Hunter/Storm) - Phase 1	-	37	36	652	725	Under Construction	per Developer Agreement, Phase 1: 37 affordable units at 80% AMI + 36 affordable units at 100% AMI
Clara Gardens - 3550 El Camino Real	120	-	-	-	120	Approved /Under Construction-4	<u>Pending</u> per Affordable Housing Agreement: 100% affordable at 30-50% AMI
1530-1540 Pomeroy Avenue Residential Project				8	8	Approved	no affordability component
Related Santa Clara - Phase 1	-	-	20	1,660	1,680	Approved	per Development Area Plan: 20 affordable units (10% of 200) at 120% AMI [future phases, 50 affordable units at 120%]
Gateway Crossings (Hunter/Storm) - Phase 2		42	42	756	840	Proposed	per Developer Agreement, Phase 2: affordability TBD
950 Monroe Street Mixed-Use Project	-	-	8	46	54	Proposed	per Inclusionary Ordinance: 15% affordable at 100% AMI
subtotal other project(s)	261427	228378	141147	3,569534	4,199486		
Total Pending and Approved Projects	389668	361746	857529	10,5339273	11,94612,216		

HOUSING ELEMENT

Site/Credit Type	AFFORDABILITY CATEGORIES					Project Status	Affordability
	Very Low [0-50% AMI]	Low [50-80% AMI]	Moderate [80-120% AMI]	Above Moderate [above 120% AMI]	Total Units		
Remaining RHNA 2023-2031	2, 483 <u>204</u>	1,292 <u>907</u>	1, 124 <u>452</u>	(5, 213 <u>147</u>)	(314 <u>584</u>)		

Source(s): City of Santa Clara, ~~June~~April 202~~3~~2.

Note(s): All calculations were rounded down. There are likely discrepancies due to rounding down between the row and column totals.

1 Phase I building permit issued 4/18/22 for 311 units; the remaining 192 units are approved.

2 Application expected ~~Dec~~early 202~~3~~2.

3 Application expected early 2023.

~~4 Building permit issued for interior work (8/4/22); building permit for exterior work pending corrections, for 43 units. The remaining 77 units are approved.~~

Sites Inventory Methodology and Assumptions

Default Density Assumptions

The California Government Code states that if a local government has adopted density standards consistent with the population-based criteria set by State law (at least 30 units per acre for Santa Clara), HCD is obligated to accept sites with those density standards (30 units per acre or higher) as appropriate for accommodating the jurisdiction's share of regional housing need for lower-income households. Default density is considered by the State as sufficient to provide market-based incentives for the development of housing for lower-income households.

The Santa Clara General Plan (adopted in 2010) identifies ten Focus Areas appropriate for higher density residential and mixed-use development. A detailed discussion of density assumptions and the affordability level of sites is included below.

Site Suitability and Lot Consolidation

Consistent with Housing Element law related to the suitability of small and large sites, the inventory of lower-income sites is limited to parcels between 0.5 and 10 acres in size. Due to the City's historical parcelization pattern, the inclusion of small sites in the inventory is expected. To adhere to State law and HCD guidance, small sites (under 0.5 acres) are not used to meet the lower-income RHNA. There are 10 available sites included in the inventory with a parcel size under 0.5 acres. All of these are located in the Tasman East Specific Plan area and range between 0.458 and 0.482 acres. Parcels of similar size have been developed with residential within the last housing element cycle in the Tasman East Specific Plan area. While these sites have densities that are appropriate for lower-income RHNA sites and meet the default density standard, they are all credited toward the moderate- and above moderate-income categories. No sites in the inventory are larger than 10 acres. Although many of the parcels identified as sites are adjacent to one another, no lot consolidation is assumed.

Realistic Capacity and Suitability of Non-Vacant Sites

Housing Element law requires jurisdictions to demonstrate that the land inventory is adequate to accommodate that jurisdiction's share of the region's projected growth. Santa Clara has a remaining RHNA of ~~4,899~~563 units to be achieved through the identification of sites. The City has various residential and mixed-use development opportunities on sites that are currently available, although all sites are non-vacant. All available sites are within Specific Plan areas. Each project shown in Table 13.6-3, demonstrates that the project's actual density was developed higher than the minimum density allowed. Because each Specific Plan has its own distinct land



SANTA CLARA HOUSING ELEMENT

use designations and affordability requirements, realistic capacity for available sites was calculated based on the average of percent above minimum density allowed per Specific Plan of existing and approved projects (see Table 13.6-3). Percent above the minimum density allowed was used to remain conservative, realistic, and to account for the wide range of Specific Plan densities allowed (from 20 du/ac in Lawrence Station to 350 du/ac maximum in Tasman East). In every case, claiming realistic capacity using the methodology and assumptions defined here yields total unit counts below the maximum density allowed.

State law also includes specific criteria for assessment of the realistic availability of non-vacant sites during the planning period. If non-vacant sites accommodate half or more of the lower-income need, the Housing Element must present “substantial evidence” that the existing use does not constitute an impediment to additional residential use on the site. Due to the built-out nature of Santa Clara, most sites have existing uses. Non-vacant sites included in the inventory have been selected using the following criteria, which are indicated for each non-vacant site in the detailed sites matrix included in Appendix B. A site identified under criterion 1, 2, or 3 requires no further factors. These criteria have been applied to all available sites (this does not include pending project sites).

- 1) Interest: Developer interest or property owner interest to redevelop the site.
- 2) Vacant Lots: Completely vacant lot.
- 3) City or County Ownership: Property is under City or County ownership, with defined intent to redevelop the site with a residential use at a higher density.
- 4) Redevelopment Trend for Existing Use: Uses that are similar to those that have been previously recycled in Santa Clara (e.g., industrial uses, small shopping centers, offices, stand-alone restaurants and retail uses, properties zoned exclusively for residential use that are currently developed well below the zoning capacity).
- 5) Participation in Specific Plan planning process: Property is located within a defined Specific Plan area and/or the property owner participated in the Specific Plan planning process.
- 6) Underutilized Residential Site. Property is zoned for residential use at a higher density than existing use or property is zoned residential and existing use is non-conforming.
- 7) Building/Land Value: Property improvement value is less than half of the land value (ratio is less than 1.00), indicating substantial underinvestment and the ability of a property owner to achieve financial gain through redevelopment.
- 8) Year: Structure was built prior to 1985 (and therefore over 36 years of age) but is not a designated or eligible historic structure, indicating that properties may need substantial improvements or replacement for maximum financial return.

- 9) Lease: Site has no existing tenant lease(s) or lease(s) expires or lease(s) have buy-out clauses within in 6th cycle planning period (where known).

Development Trends and Realistic Capacity

Current development trends in the Specific Plan areas show that a range of medium to high residential density is feasible, realistic, and appropriate to accommodate housing for all income levels. Since the City's adoption of the Lawrence Station Area Plan and Tasman East Specific Plan, Santa Clara has seen an uptick in development and development interest. The following projects, shown in Table 13.6-3, show examples of high-density development coming in well above the minimum densities.

Table 13.6-3 High-Density Projects in Specific Plan Areas

<i>Project Name</i>	<i>Zoning</i>	<i>Density Range (du/ac)</i>	<i>Acres</i>	<i># of Units</i>	<i>Actual Density</i>	<i>Status</i>	<i>Included in 6th Cycle</i>	<i>% above allowed minimum density</i>
Tasman East Focus Area Specific Plan								
TE 2233 Calle Del Mundo (St. Anton) ¹	Transit Neighborhood	100 to 350	1.22	196	160	Under Construction	Yes	160%
TE 2200 Calle De Luna (Holland)	Transit Neighborhood	100 to 350	2.44	580 579	237	Approved	Yes	237%
TE 2300 Calle De Luna (Related)	Transit Neighborhood	100 to 350	5.02	700	139	Under Construction	Yes	139%
TE 2343 Calle Del Mundo (Summerhill)	Transit Neighborhood	100 to 350	2.63	347	131	Approved	Yes	131%
TE 2302/2310 Calle Del Mundo (Ensemble) ¹	Transit Neighborhood	60 to 350	0.77	151	196	Approved	Yes	327%
TE 2354 Calle Del Mundo (Ensemble)	Transit Neighborhood	60 to 350	0.50	89	178	Approved	Yes	297%
<u>Patrick Henry Drive Focus Area Specific Plan</u>								



SANTA CLARA
HOUSING ELEMENT

<i>Project Name</i>	<i>Zoning</i>	<i>Density Range (du/ac)</i>	<i>Acres</i>	<i># of Units</i>	<i>Actual Density</i>	<i>Status</i>	<i>Included in 6th Cycle</i>	<i>% above allowed minimum density</i>
<u>3000 Patrick Henry Drive (Summerhill)</u>	<u>Urban Village</u>	<u>100 to 149</u>	<u>2.518</u>	<u>307</u>	<u>122</u>	<u>Approved</u>	<u>Yes</u>	<u>122%</u>
<u>2901 Patrick Henry Drive (Sares Regis)</u>	<u>Urban Village</u>	<u>100 to 149</u>	<u>6.497</u>	<u>800</u>	<u>123</u>	<u>Pre-Application</u>	<u>Yes</u>	<u>123%</u>
<u>4590 Patrick Henry Drive (Walnut Hill)</u>	<u>Urban Village</u>	<u>100 to 149</u>	<u>2.795</u>	<u>413</u>	<u>122</u>	<u>Pre-Application</u>	<u>Yes</u>	<u>148%</u>
Lawrence Station Area Plan								
2904 Corvin Drive (Corvin Supportive Housing)	LSAP/Very High Density Residential	51 to 100	1.08	145	134	Building Permit final June 2022	No	263%
3560 Rambla Pl (Summerhill)	LSAP/Very High Density Residential	51 to 100	2.49	251	100	Building Permit final Sept 2021	No	196%
3578 Rambla Pl (Summerhill)	LSAP/Very High Density Residential	51 to 100	1.72	126	73	Building Permit final March 2022	No	143%
3517 Ryder St (Westlake Urban)	LSAP/Very High Density Residential	51 to 100	3.92	328	83	Approved	Yes	163%

Source(s): City of Santa Clara, 2022.

Note: 1. The TE 2233 Calle Del Mundo (St. Anton) and TE 2302/2310 Calle Del Mundo (Ensemble) projects are 100% affordable

Realistic Capacity Calculations

These sites show sufficient capacity to meet and exceed the identified housing need. A detailed listing of sites, consistent with State law, is included in the document Appendix B.

Consistent with HCD Guidelines, the following methodology for determining realistic capacity on each identified site must account for land use controls and site improvements.

- Lower-density residential sites: realistic capacity for sites in land use designations that allow less than 30 units per acre is calculated at minimum density allowed. This includes the Medium Density Residential (20-36 du/ac) designation in the Lawrence Station Area Plan. The identified sites in these designations are non-vacant. Minimum density was used to calculate a more conservative realistic capacity.
- El Camino Real rezoning sites: As part of the Zoning Ordinance Update process, sites along the El Camino Real corridor that have a Regional Mixed Use General Plan land use designation (37-50 du/ac) will be rezoned from their current commercial zoning to the new Regional Mixed Use (RMU) zoning district. These sites are non-vacant, and the minimum density was used to calculate realistic capacity. -
- Specific Plan sites: All sites ~~are~~ within adopted Specific Plan areas ~~and~~ have been thoroughly vetted through City-led and community-focused planning processes. Specific Plan areas represent locations with opportunities for more intense development with limited impact on existing neighborhoods, per the City's 2010-2035 General Plan. All available sites within the Specific Plan areas have been rezoned to reflect the uses and densities set forth in the respective Specific Plans. These sites were selected for inclusion in this inventory due to their location, existing zoning that accommodate and incentivize higher densities, and potential for housing production.

The following Specific Plan sites were excluded from the sites inventory because it was determined that they are unlikely to redevelop with residential uses within the timeframe of the Housing Element:

o Lawrence Station Area Plan

- 2960 – 3030 Corvin Drive (data centers)
- 3350 – 3420 Central Expressway (Gemini Rosemont industrial campus)

o Tasman East Specific Plan

- 5101 Lafayette Street (data center)

o Patrick Henry Drive Specific Plan

- 4650 and 4700 Old Ironsides Drive (data centers)
- 4600 Patrick Henry Drive (Drawbridge parcel)

~~All available sites are within Specific Plan areas.~~ Each project shown in Table 13.6-3, demonstrates that the project's actual density was developed higher than the minimum density allowed. Because each Specific Plan has its own distinct land use designations and affordability requirements, realistic capacity for available sites within the Lawrence



SANTA CLARA HOUSING ELEMENT

Station Area Plan and Tasman East Focus Area Specific Plan ~~were~~ calculated based on the average of percent above minimum density allowed per Specific Plan of existing and approved projects (see Table 13.6-3). ~~Percent above the minimum density allowed was used to remain conservative, realistic, and to account for the wide range of Specific Plan densities allowed (from 20 du/ac in Lawrence Station to 350 du/ac maximum in Tasman East).~~ In every case, claiming realistic capacity using the methodology and assumptions defined here yields total unit counts below the maximum density allowed.

The following averages were used to calculate realistic capacity, per Specific Plan area:

○ Lawrence Station Area Plan: minimum densities x 191%

- The minimum density for the two remaining LSAP parcels designated Very High Density Residential (VHDR) is 51 du/ac. 191% of 51 du/ac = 97.4 du/ac. The four approved/under construction LSAP projects that are designated VHDR have actual densities ranging from 73 to 134 du/ac, with an average of 97.5 du/ac.

○ Tasman East Focus Area Specific Plan: minimum densities x 215%

- The minimum density for the remaining Tasman East parcels designated Transit Neighborhood (TN) is either 60 du/ac (13 parcels < 1 ac) or 100 du/ac (one parcel > 1 ac). 215% of 60 du/ac = 129 du/ac and 215% of 100 du/ac = 215 du/ac. The six approved/under construction Tasman East projects, including two 100% affordable projects, that are designated TN have actual densities that range from 131 to 237 du/ac.

○ Patrick Henry Focus Area Specific Plan: maximum densities x 72%

- Based on Specific Plan assumptions ~~about buildout phasing~~ was used as there ~~are~~ is currently ~~no existing or only one~~ approved projects in the Patrick Henry Drive Specific Plan area.
 - Specific Plan Approved Residential Development Capacity: between 10,300 and 12,000 units (Average 11,150 units)
 - Specific Plan Buildout Estimate: 8,073 units (72% of 11,150)
 - Phase 1 (2025-2029): 5,839 units
 - Phase 2 (2030-2034): 2,234 units
 - Housing Element (2023-2031): 5,865 units (1,520 pending/approved + 4,345 sites)

- Ten remaining Patrick Henry Drive sites have maximum densities of 149 du/ac, one site has a maximum density of 250 du/ac, and one site has a maximum density of 99 du/ac.
- 72% of 149 du/ac = 107 du/ac. One approved Patrick Henry Drive project has a density of 122 du/ac (Summerhill). There are pre-applications on file for projects on two other sites that have proposed densities of 123 du/ac (Sares Regis) and 148 du/ac (Walnut Hill).

For the Lawrence Station area, the realistic capacity of the remaining sites is a total of 395 units (144 VLI, 106 LI, 126 Mod, and 19 Above Mod). See Table 13.6-5. The buildout horizon for these units falls within the 6th cycle.

For the Tasman East Specific Plan area, the realistic capacity of the remaining sites not tied to approved or proposed projects is 1,123 units, per Table 13.6-5. When combined with the number of units already proposed or on file, the total number of units is 989 units greater than the total number of units approved as a part of the adoption of the Tasman East Specific Plan. The City is currently processing a Specific Plan amendment to increase the capacity of the plan area by an additional 1,500 units. That effort is recognized as Action 19, Tasman East Specific Plan Amendment in the Housing Plan. The buildout horizon for these units is 2030.

For the Patrick Henry Drive Plan area, sites totaling 4,345 units are available during the planning period ~~(Phase 1 of the Specific Plan estimated 5,839 units)~~ are ~~mostly~~ (2030-2034). Additionally, 1,520 units have either been proposed or approved in the PHD Patrick Henry Drive area.

Given the fact that housing in all the City's Specific Plan areas is allowed by right, the primary impediment to development of housing, according to feedback received from developers at stakeholder meetings, is the economic environment (construction and land costs) and the ability for developers to obtain financing and/or state funding (for affordable projects). Another potentially significant impediment is the provision of infrastructure, which has been addressed in the Tasman East and Patrick Henry Drive plan areas through the creation and administration of infrastructure fees for the respective areas. For the few remaining projects not yet built in the Lawrence Station Area, required infrastructure improvements will be addressed through the development review process.



Densities Appropriate for Accommodating Lower-Income Housing

The capacity of sites that allow development densities of at least 30 units per acre are credited toward the lower-income RHNA based on State law. The California Government Code states that if a local government has adopted density standards consistent with the population-based criteria set by State law (at least 30 units per acre for Santa Clara), HCD is obligated to accept sites with those density standards (30 units per acre or higher) as appropriate for accommodating the jurisdiction's share of regional housing need for lower-income households. All available sites included in this inventory, except for three sites zoned Medium Density Residential (20-36 du/ac), have density standards of 30 units per acre or higher. Located within the Lawrence Station Area Plan, the three sites zoned Medium Density Residential (20 – 36 du/ac) are credited toward the moderate- and above-moderate income categories.

To create a more conservative and realistic estimate of affordability for Santa Clara, available sites that qualify for one hundred percent affordable units based on the allowed density are split between the very low-, low-, and moderate-income categories 40 percent, 30 percent, and 30 percent, respectively, which roughly follows the RHNA split for those same affordability categories.

Table 13.6-4 Specific Plan Land Use Designations

<i>Land Use Designation</i>	<i>Min./Max. Density</i>	<i>Meets Default Density</i>	<i>Number of Parcels Included in 6th Cycle</i>	<i>Total Acreage of Available Sites</i>
Tasman East Focus Area Specific Plan				
Transit Neighborhood (parcels less than 1 acre)	60 to 350	Yes	14	8.033
Transit Neighborhood (parcels equal to or greater than 1 acre)	100 to 350	Yes	01	01.026
<i>Tasman East Specific Plan Subtotal</i>			1415	89.033059
Patrick Henry Drive Focus Area Specific Plan				
Very High Density Residential	51 to 99	Yes	21	6.6603.8
Village Residential	60 to 149	Yes	11	9.062
High Density Flex	60 to 149	Yes	4	9.568
Urban Village	100 to 149	Yes	5	12.986
Urban Center	120 to 250	Yes	1	3.821
<i>Patrick Henry Drive Specific Plan Subtotal</i>			1312	42.09839.238

<i>Land Use Designation</i>	<i>Min./Max. Density</i>	<i>Meets Default Density</i>	<i>Number of Parcels Included in 6th Cycle</i>	<i>Total Acreage of Available Sites</i>
Lawrence Station Area Plan				
Low Density Residential	8 to 19	No	0	0
Medium Density Residential	20 to 36	No	3	1.993
High Density Residential	37 to 50	Yes	0	0
Very High Density Residential	51 to 100	Yes	62	27.53 <u>43.67</u>
<i>Lawrence Station Area Plan Subtotal</i>			95	29.52 <u>85.663</u>

Source(s): Patrick Henry Drive Specific Plan, March 2022. Lawrence Station Area Plan, Neighborhood Transit-Oriented Development Plan, Nov. 2016. Tasman East Focus Area Specific Plan, Nov. 2020.

Note: 1. The Patrick Henry Drive site designated Village Residential includes 26 parcels for each condominium unit and an approximately 6.8-acre common area parcel (shared parking/circulation).

Re-use of Sites

AB 1397 (2017) requires that specific parameters be placed on sites that were used in previous Housing Element planning cycles but did not develop and are identified in the current Housing Element to meet the lower-income RHNA. However, as noted in HCD guidance documents, due to updates in the prior planning period to the General Plan or other planning activities, such as the creation of a specific plan, some sites previously identified in the Housing Element may have been rezoned during intervening years to allow a higher density, thereby increasing the potential housing capacity of the site. Because the zoning characteristics of such a site have changed, that site can be considered a new site for the purposes of the housing element inventory.

All sites, apart from several of the El Camino Real Rezoning sites, in this Housing Element are Specific Plan parcels, including some previously identified in the fifth cycle. Parcels identified in the fifth cycle subsequently rezoned to a higher density through their respective Specific Plan processes were not rezoned to accommodate a shortfall; rather, the rezoning was conducted to implement General Plan policy. Thus, no sites, except for those El Camino Real rezoning sites noted in Appendix B, are subject to the reuse provisions of AB 1397 (2017).

For sites that are subject to the reuse provisions of AB 1397 (2017), the Zoning Ordinance update (Chapter 2 Housing Plan Action 9) will include a provision that any nonvacant site in the 6th Cycle Housing Element Sites Inventory that was identified in a previous (i.e., 5th or 4th Cycle) Housing Element would need to provide a minimum of 20 percent of the units affordable to lower income households in order to be approved by right.



No Net Loss Provision

Government Code Section 65863 stipulates that a jurisdiction must ensure that its Housing Element inventory can accommodate its share of the RHNA by income level throughout the 2023 to 2031 planning period. If a jurisdiction approves a housing project at a lower density or with fewer units by income category than identified in the Housing Element, it must quantify at the time of approval the remaining unmet housing need at each income level and determine whether there is sufficient capacity to meet that need. If not, the city must “identify and make available” additional adequate sites to accommodate the jurisdiction’s share of housing need by income level within 180 days of approving the reduced-density project. This provision is commonly referred to as the “no net loss” provision of Housing Element law.

Site Selection

The Housing Element sites inventory, in addition to the list of pending and approved projects, includes accessory dwelling unit (ADU) projections, ~~and vacant and underutilized sites within Specific Plan areas zoned for high-density residential and mixed-use development, and the El Camino Real rezoning sites.~~ These latter two categories have been used to demonstrate that the RHNA for the extremely low-, very low-, low- and moderate-income categories can be accommodated during the planning period. As the discussion below concludes, the sites have no identified constraints that would prevent development or reuse during the Housing Element period. Table 13.6-5 summarizes the sites inventory.

Table 13.6-5 Sites to Meet the RHNA

Site/Credit Type	Affordability Category				Total Capacity
	Very Low [40% -50% AMI]	Low [50-80% AMI]	Moderate [80-120% AMI]	Above Moderate [above 120% AMI]	
RHNA	2,872	1,653	1,981	5,126	11,632
Pending and Approved Projects	389,668	-361,746	857,512	10,339,218	1112,946,144
ADU Projection	102,118	118,02	118,02	394	340,393
Available Specific Plan Sites	2,888,187	2,143,622	2,465,944	314	7,8106,067
<i>Tasman East Focus Area Specific Plan</i>	<i>214</i>	<i>156</i>	<i>458</i>	<i>295</i>	<i>1,123</i>
<i>Patrick Henry Drive Focus Area Specific Plan</i>	1,829,747	1,360,299	1,360,299	-	4,549,345
<i>Lawrence Station Area Plan</i>	845,144	627,106	647,126	<i>19</i>	2,138,395
<u>El Camino Real Rezoning Sites</u>	<u>497</u>	<u>378</u>	<u>366</u>	-	<u>1,242</u>

Site/Credit Type	Affordability Category				Total Capacity
	Very Low [40-50% AMI]	Low [50-80% AMI]	Moderate [80-120% AMI]	Above Moderate [above 120% AMI]	
RHNA	2,872	1,653	1,981	5,126	11,632
Total	3,379- 388	2,606- 803	32,424- 879	10,687- 571	2219,096642
Surplus	18%	5870%	7345%	108106%	7369%

Source(s): Final Regional Housing Needs Allocation (RHNA) Plan: San Francisco Bay Area, 2023-2031, Updated March 2022. Technical Assistance for Local Planning, Housing – Using ADUs to Satisfy RHNA, Technical Memo, March 2022. Patrick Henry Drive Specific Plan, March 2022. Lawrence Station Area Plan, Neighborhood Transit-Oriented Development Plan, Nov. 2016. Tasman East Focus Area Specific Plan, Nov. 2020.

Note(s): AMI = Area Median Income

ADU Projection

Since 2017, the State legislature has passed a series of laws that significantly increase the potential for the development of ADUs and Junior ADUs (JADUs) by removing development barriers, allowing ADUs through ministerial permits, and requiring jurisdictions to include programs in their housing element that incentivize ADU development. Interest in constructing ADUs is high in Santa Clara and continues to grow. In 2018, the City issued 21 ADU building permits. In 2019, the number increased to 51 annual building permits, with similar numbers in 2020 (45 ADU building permits) and 2021 (53 ADU building permits), then increasing in 2022 to 76 ADU building permits. This represents a 152-262 percent increase in ADU production in Santa Clara between 2018 and 2021-2022. The City estimates that interest will continue to increase over the next few years, given the many single-family neighborhoods citywide that create capacity for additional ADUs. As of June 2022, 53 percent (or 16,103 parcels) of total parcels were zoned for single-family housing, totaling 2,504 acres. ADUs are permitted on single-family, multi-family, and mixed-use lots, including R1, R2, and R3 zone districts, which represent a significant number of lots in Santa Clara.

As an incentive to ADU production, the City does not charge a Planning fee for review/processing ADU requests. Also, State law allows jurisdictions to charge impact fees on ADUs over 750 square feet, but the City of Santa Clara does not. The City has also exempted ADUs/JADUs from providing parking (JADUs that convert a garage space/s are required to provide replacement parking for the primary dwelling).

The slight dip in ADU production in 2020 may be due to the COVID-19 pandemic and other events of 2020. In 2021, the City had the highest number of ADU building permits to date, which is likely more representative of ADU production moving forward based on ADU trends in Santa



SANTA CLARA HOUSING ELEMENT

Clara, new and pending favorable ADU legislation that created new incentives and streamlined processes to build ADUs, and the pent-up demand for additional housing in the Bay Area.

While it is impossible to predict with certainty the exact number of ADUs that will be developed during the planning period (2023-2031), the City conservatively estimates:

- An average of ~~43~~49.2 ADUs per year will be constructed throughout the planning period. This reflects the average number of building permits issued for ADUs between 2018 and 2022~~1~~. Given the anticipated increase in ADUs over the near term, this is a conservative estimate.
- A total of ~~340~~393 ADUs can be predicted to be constructed during the planning period.

The affordability assumptions for ADU projections are based on ABAG's ADU affordability analysis pre-certified by HCD¹.

Available Specific Plan Sites

Plan Bay Area 2050 Growth Geographies

After nearly four years of technical analysis and deep engagement with Bay Area residents and partners, the Metropolitan Transportation Commission (MTC) and ABAG jointly adopted Plan Bay Area 2050 in October 2021. Plan Bay Area 2050 was developed in collaboration with Bay Area residents, partner agencies, and nonprofit organizations. Thirty-five strategies make up the heart of the plan to improve housing, the economy, transportation, and the environment across the Bay Area's nine counties.

Throughout Plan Bay Area 2050, Growth Geographies are geographic areas used to guide where future growth in housing and jobs would be focused under the plan's strategies over the next 30 years. These geographies are identified for growth either by local jurisdictions or because of their proximity to transit or access to opportunity.

All sites included in this Housing Element are considered Priority Development Areas (PDAs), defined as areas generally near existing job centers or frequent transit that are locally identified (i.e., identified by towns, cities, or counties) for housing and job growth.

2010-2035 General Plan Focus Areas, Focus Area Plans, and Related Planning Efforts

In 2010, the City of Santa Clara adopted its comprehensive 2010-2035 General Plan, which included identification of nine focus areas throughout the City, listed in Table 13.6-6. These areas were chosen for their potential to significantly define Santa Clara's identity as a place in transition

¹ ABAG estimates an affordability breakdown of ADUs as follows: 30% very low-income, 30% low-income, 30% moderate-income, and 10% above moderate-income. Technical Assistance for Local Planning, Housing – Using ADUs to Satisfy RHNA, Technical Memo, March 2022.

from a suburb to a regional economic center. The opportunity to develop at a higher density near transit is central to this new identity.

A comprehensive plan, such as a specific plan is a required prerequisite for new residential development within a focus area. The purpose of these plans and the prerequisite requirements ensure that new neighborhoods are self-sufficient, with easy access to retail, services, and public amenities. Specific Plans also ensure that adequate public services and facilities are provided in tandem with new development. In 2014, the City initiated updates to the Housing and Land Use Elements that identify and require future development to be comprehensively planned through the preparation of Specific Plans within the Lawrence Station and Tasman East Focus Areas.

Of the nine focus areas identified in the 2010-2035 General Plan, four have resulted in Specific Plans, three of which have been adopted. The Freedom Circle Future Focus Area was added to the General Plan in June 2022, while preparation of this sixth cycle Housing Element was well underway. A specific plan has not been drafted or adopted for this future focus area, and therefore the future focus area, with the exception of the Greystar site that had its own approved General Plan Amendment and Rezoning to allow residential development, was not included in the sites inventory. However, properties within that planning area could become available during the planning period if a specific plan were adopted, helping to guard against the loss of affordable housing capacity.

Table 13.6-6 2010-2035 General Plan Focus Areas

<i>2010-2035 General Plan Focus Area</i>	<i>Related Planning Effort</i>	<i>Status</i>
Existing		
Downtown Focus Area	Santa Clara Downtown Precise Plan	Draft, Nov. 2022
Santa Clara Station Focus Area	None	
Stevens Creek Boulevard Focus Area	None	
El Camino Real Focus Area	El Camino Real Specific Plan	Draft, May 2021
Lawrence Station Focus Area	Lawrence Station Area Plan	Adopted, Nov. 2016
Tasman East Focus Area	Tasman East Focus Area Specific Plan	Adopted, Nov. 2018; Revised, Nov. 2020
Great America Parkway Focus Area	Patrick Henry Drive Focus Area Specific Plan	Adopted, Mar. 2022
Freedom Circle Focus Area	Freedom Circle Focus Area Plan	Adopted, June 2022
Future		
Central Expressway Focus Area	None	
De La Cruz Focus Area	None	

Source(s): City of Santa Clara 2010-2035 General Plan, Nov. 2010. Patrick Henry Drive Specific Plan, March 2022. Lawrence Station Area Plan, Neighborhood Transit-Oriented Development Plan, Nov. 2016. Tasman East Focus Area Specific Plan, Nov. 2020.



Mixed-Use Developments

Although opportunities for residential and mixed-use development exist throughout Santa Clara based on existing General Plan land use policy and implementing zoning, along major corridors such as along El Camino Real, the City has focused the sites inventory in areas where development of residential uses is most likely to occur within the Housing Element planning period. This is due to development standards allowing very high densities, developer interest in residential development within Specific Plan areas, site size and location (near transit, major corridors, and highways), and recent development trends in the immediate and surrounding areas. The inclusion of nonresidential uses within mixed-use developments complements a transit-oriented neighborhood and will not affect the potential capacity on site because all available sites have minimum density requirements.

Most parcels included in this sixth cycle sites inventory have zoning that allows nonresidential uses in the form of mixed-use developments. Only one land use designation/zone district allows stand-alone nonresidential development.² This land use policy illustrates the City's commitment to incentivizing mixed-use districts and higher-density, transit-oriented residential development that addresses many goals: meeting the region's housing needs, encouraging housing near employment centers, increasing transit usage, and reducing greenhouse gas emissions.

Specific Plans

A considerable portion of Santa Clara is designated for specific plan development. The City has three approved Specific Plans with a significant number of sites and residential development capacity remaining. Combined, the sites identified in the Lawrence Station, Tasman East, and Patrick Henry Drive Specific Plan areas have enough capacity to satisfy the outstanding RHNA (i.e., the remaining RHNA after pending and proposed projects, and ADUs). The Specific Plan areas provide opportunities for development of market-rate and affordable housing. Development types authorized by the approved Specific Plans include multi-unit and mixed-use development. None of the listed Specific Plan areas have any site restrictions or governmental constraints that would impede development. Table 13.6-4 provides an overview of the City's Specific Plan densities. Further detail is provided in the following sections.

The Specific Plan sites have a high level of certainty to develop given that:

- Through the adoption and implementation of each City-initiated Specific Plan, all parcels within each area have been re-zoned to accommodate high density residential development.

² Only one land use designation/zone district, in the Patrick Henry Drive Specific Plan area, allows stand-alone nonresidential development. See section "Specific Plan Sites" for additional detail.

- Specific parameters for densities, uses, development standards, and minimum affordability requirements have already been established.
- No recent, significant enhancements have been made to these sites.
- Infrastructure is either in place, or planned for, in support of proposed land uses, addressing transportation, wet utilities, solid waste management, and energy services and systems. For both the Tasman East and Patrick Henry Drive Specific Plans, an infrastructure fee has been created to apportion costs between developers in the Plan Areas.
- Redevelopment of nonresidential uses into high density residential and mixed-use has already occurred, illustrating developer and property owner interest and the financial feasibility of site redevelopment.
- All land use designations within the Specific Plan areas have established minimum densities.
- No land use designation in the Tasman East Specific Plan or Lawrence Station Area Plan areas allows for stand-alone nonresidential uses.
- The City has financial resources available to support the development of affordable housing.

Affordability Requirements

- **Tasman East Focus Area Specific Plan.** All development in the Tasman East Focus Area Specific Plan area adheres to the affordable housing requirements referenced in Section 17.40.115 of the Santa Clara City Code. For-sale and rental affordable units shall be maintained as affordable housing for not less than 20 years applicable to for-sale units and 55 years applicable to rental units. Section 17.40.115 requires that 12% of total housing units be affordable.
- **Patrick Henry Focus Area Specific Plan.** In recognition of the conversion of employment uses to residential land, the Patrick Henry Drive Specific Plan calls for a deeper level of affordability than is required by the Citywide Affordable Housing ordinance. Affordable housing requirements for the Patrick Henry Drive Specific Plan are referenced in Section 17.40.116 of the Santa Clara City Code. Developments will provide 15 percent affordable units split equally between three affordability levels of 50 percent, 80 percent, and 120 percent of Area Median Income (AMI).
- **Lawrence Station Area Plan.** Projects must comply with the City's inclusionary ordinance in the Lawrence Station Area Plan area. There are some projects already developed that did not require affordable units, because the Lawrence Station Area Plan was adopted before the City's inclusionary ordinance.



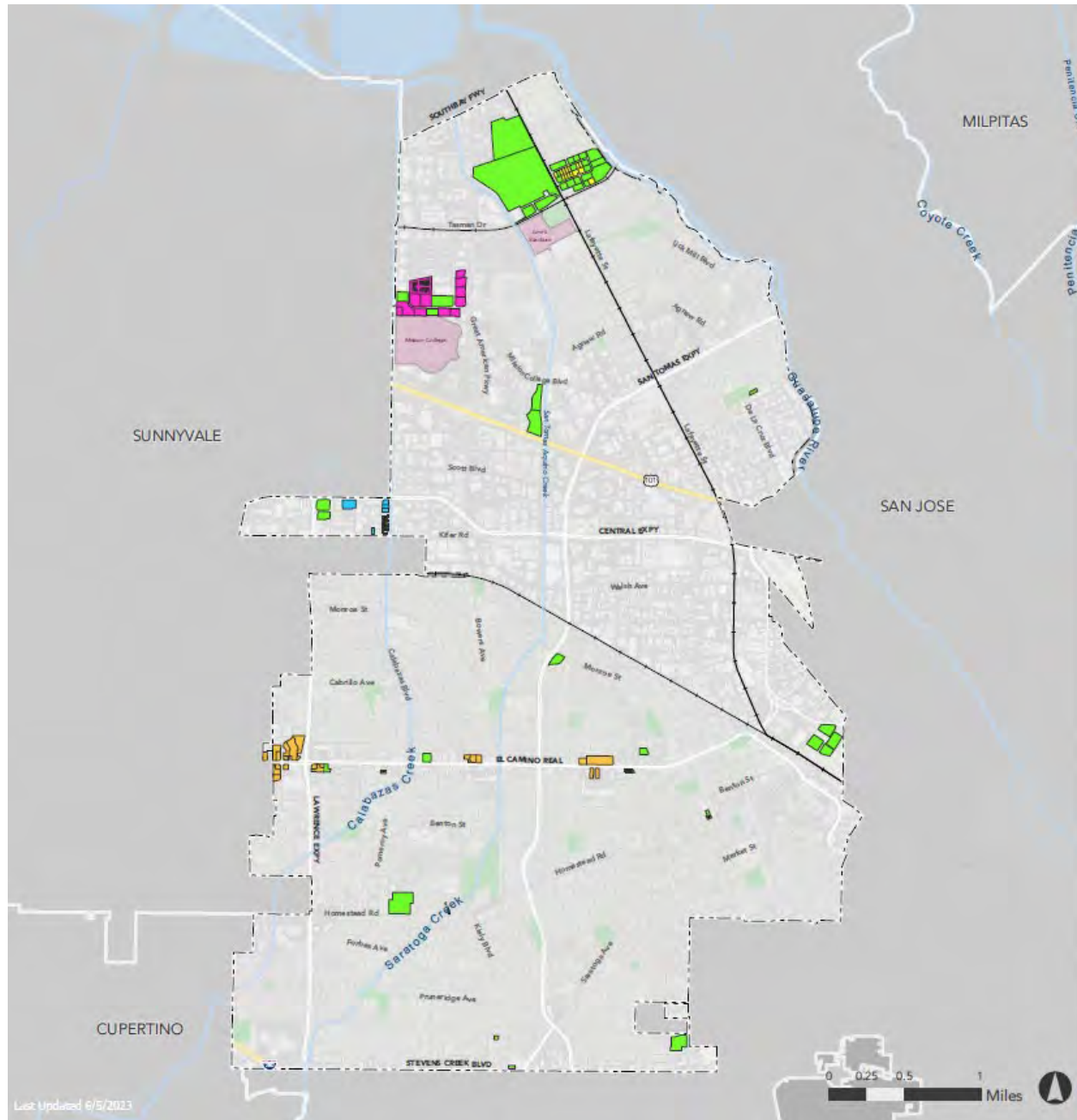
SANTA CLARA HOUSING ELEMENT

- **Citywide Affordable Housing Requirements.** Effective February 2018, the City's inclusionary housing ordinance (Title 17, Chapter 17.40 Citywide Affordable Housing Requirements) requires residential ownership and rental projects of ten (10) or more units to provide at least fifteen percent (15%) of the units at affordable housing costs for extremely low, very low, low and moderate income households, or some combination of those income categories. A developer shall select income categories for each of the affordable units such that the average income of purchasers will not exceed 100 percent of AMI.
- **Affordability by Design.** Additionally, affordability by design in Specific Plan areas is encouraged, with the development of smaller units targeted for those who desire a walkable, urban lifestyle.
- **General Plan.** The General Plan also outlines other Affordable Housing incentives including encouraging and supporting public and private efforts to provide affordable housing, density bonuses and other financial incentives for housing projects that include affordable and/or senior housing units, consistent with State law requirements.

- **FIGURE 13.6-1 SITES INVENTORY**



SANTA CLARA HOUSING ELEMENT



City of Santa Clara Sites Inventory Map

Legend

Basemap Features

- Santa Clara City Limits
- Major Destinations
- Parks and Open Space
- Rivers and Waterbodies
- Surrounding Cities
- Unincorporated Santa Clara County

Sites Inventory (by Type)

- Approved or Pending Projects
- Lawrence Station Area Plan Sites
- Tasman East Specific Plan Sites
- Partick Henry Drive Specific Plan Sites
- Sites to be Rezoned*

Note(s): In conformance with the current General Plan (2010), most recently amended in 2022.

Source(s): Esri, County of Santa Clara OpenData 2023, City of Santa Clara 2023.





Adopted in November 2018, the Tasman East Specific Plan regulates the development of 46.1 acres of land located near the City's northern boundary. Approved for the development of 4,500 units, full buildout of the area will likely occur by 2038. The Specific Plan area includes 34 parcels situated east of Lafayette Street, north of Tasman Drive, west of the Guadalupe River Trail, and south of the Santa Clara Tennis and Golf Club property. Each parcel of one acre or more in size is required to accommodate a minimum density of 100 dwelling units per acre. Each parcel of less than one acre in size is required to achieve a minimum density of 60 dwelling units per acre. There are no density maximums for individual parcels.

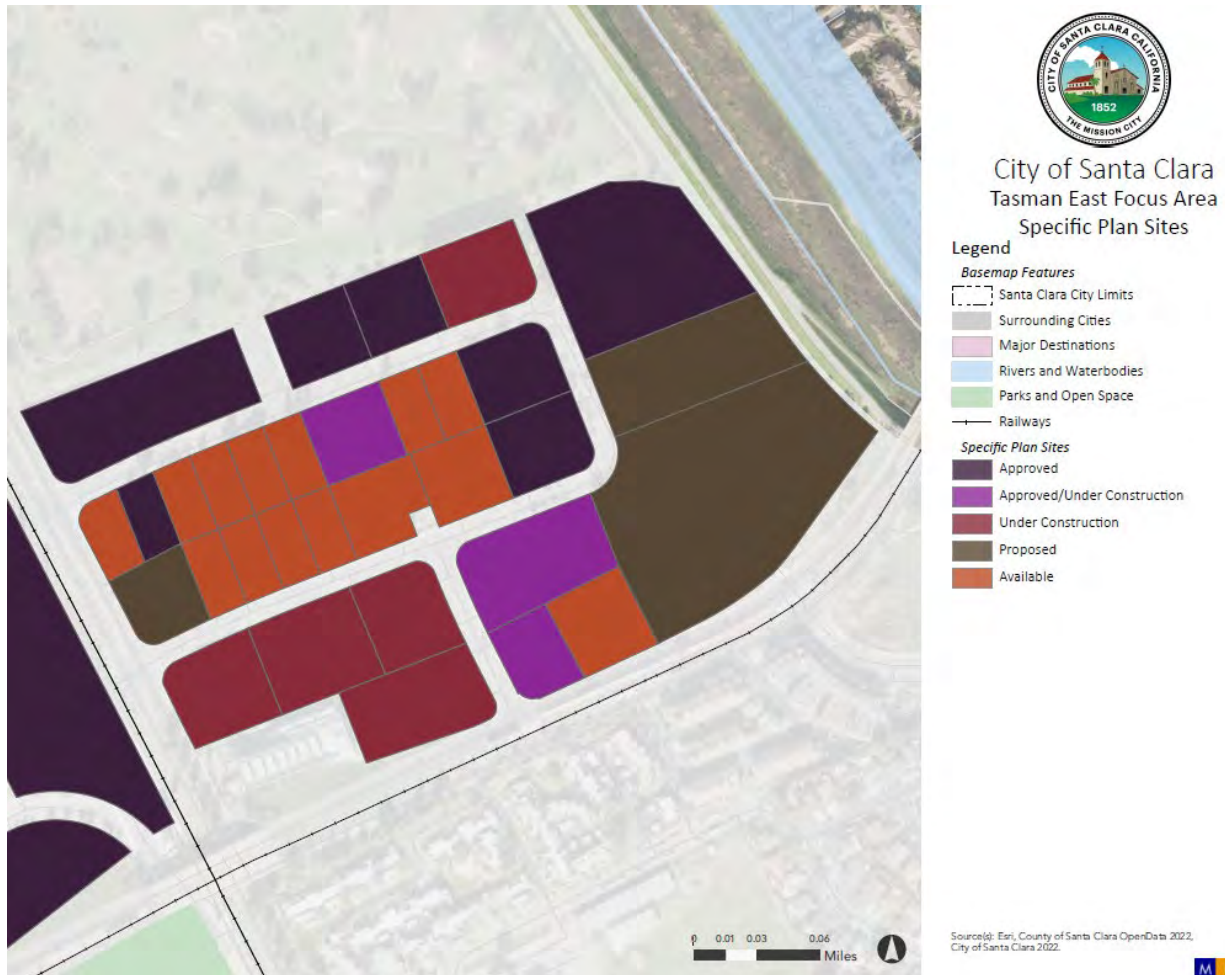
Approximately half of the Tasman East Specific Plan's parcels have either been re-developed or have projects with active applications or are already under construction. This area is transitioning from a mix of light industrial and business park uses to a high density residential neighborhood with a mix of uses at the ground floor.

Eleven projects within the Specific Plan area were counted toward the sixth cycle RHNA as approved, proposed, or under construction. Fifteen remaining parcels, on approximately 8 acres, have been identified as sites and remain to be re-developed. Not Viable sites were identified and excluded based on existing uses. Assuming realistic capacity, on a parcel-level, the Tasman East Focus Area Specific Plan sites identified in this Housing Element can accommodate a total of ~~913~~ 1,123 units (see Table 13.6-5). Appendix B provides a detailed list of all sites, including assumed affordability.

FIGURE 13.6-2 TASMAN EAST LAND USE DIAGRAM



FIGURE 13.6-3 TASMAN EAST SITES





Patrick Henry Drive Focus Area Specific Plan

In March 2022, the City Council approved the Patrick Henry Drive Specific Plan. The planning area encompasses approximately 73.59 acres bounded by Sunnyvale and Calabazas Creek to the west, the southern edge of San Francisco Public Utilities Commission right-of-way to the north, Great America Parkway to the east, and Mission College to the south. As one of the City's first high-density residential neighborhoods, Patrick Henry Drive will add thousands of units to better balance the City's jobs-housing ratio, a share of which will be income restricted to help meet regional and local affordability goals. Several regional destinations and amenities are nearby, including Levi's Stadium, Great America Theme Park, and the Santa Clara Convention Center. The VTA light rail station at Old Ironsides and Tasman Drive is just over one-half mile, or an approximately 10-minute walk, from the center of the Specific Plan area.

The Patrick Henry Drive Specific Plan resulted from a collaborative planning effort involving the City, area property owners, and the Santa Clara community. The plan will create a 73.59-acre high-density, residential neighborhood located near regional destinations, including job-centers, transit, and other amenities. At buildout, the project will accommodate up to 12,000 new residential dwelling units and 310,000 square feet of nonresidential uses, including 200,000 square feet of new neighborhood-serving retail and public facilities, such as libraries and community spaces. New and improved pedestrian and bicycle connections, trails, and parks will link neighborhoods and enhance connections to nearby amenities and recreation destinations. Careful planning will ensure adequate infrastructure and services to support the proposed new development. Targeted residential densities range from a minimum of 51 dwelling units per acre to a maximum of 250 units per acre. These densities will help meet the demand for housing that addresses job and retail growth in the City and region.

Three projects within the Specific Plan area were counted toward the sixth cycle RHNA as approved, proposed, or under construction. ~~Thirteen~~Twelve remaining parcels, on approximately ~~42~~39.24 acres, have been identified as sites and remain to be re-developed. Not Viable sites were identified and excluded based on existing uses. Assuming realistic capacity, on a parcel-level, the Patrick Henry Drive Focus Area Specific Plan sites identified in this Housing Element can accommodate a total of ~~6,139~~5,865 units (see Table 13.6-5). Appendix B provides a detailed list of all sites, including assumed affordability.

High Density Flex

Only one land use designation in the Patrick Henry Drive Specific Plan area allows for stand-alone nonresidential uses: High Density Flex. Six parcels are zoned High Density Flex, two of which were excluded because they are small sites and publicly owned utility parcels, owned by the Santa Clara Valley Transportation Authority (VTA) and the City of Santa Clara. APNs 104-04-130 and 104-04-072, respectively.

In the event that any of the four High Density Flex sites (totaling 9.6 total acres) develop with nonresidential uses only, the City will quantify at the time of approval the remaining unmet housing need at each income level and per law, identify and make available adequate sites to accommodate the RHNA by income level within 180 days of approving any such reduced-density project.

FIGURE 13.6-4 PATRICK HENRY LAND USE DIAGRAM

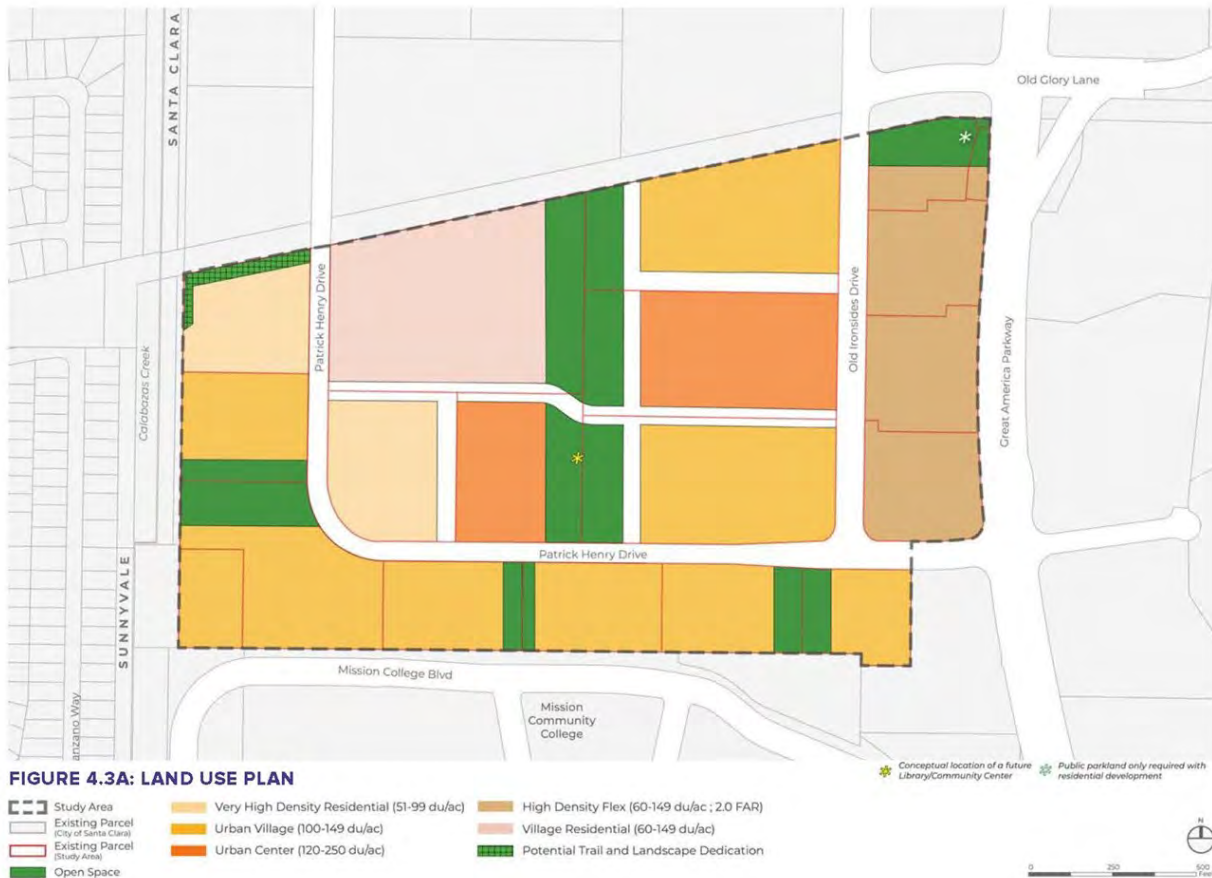
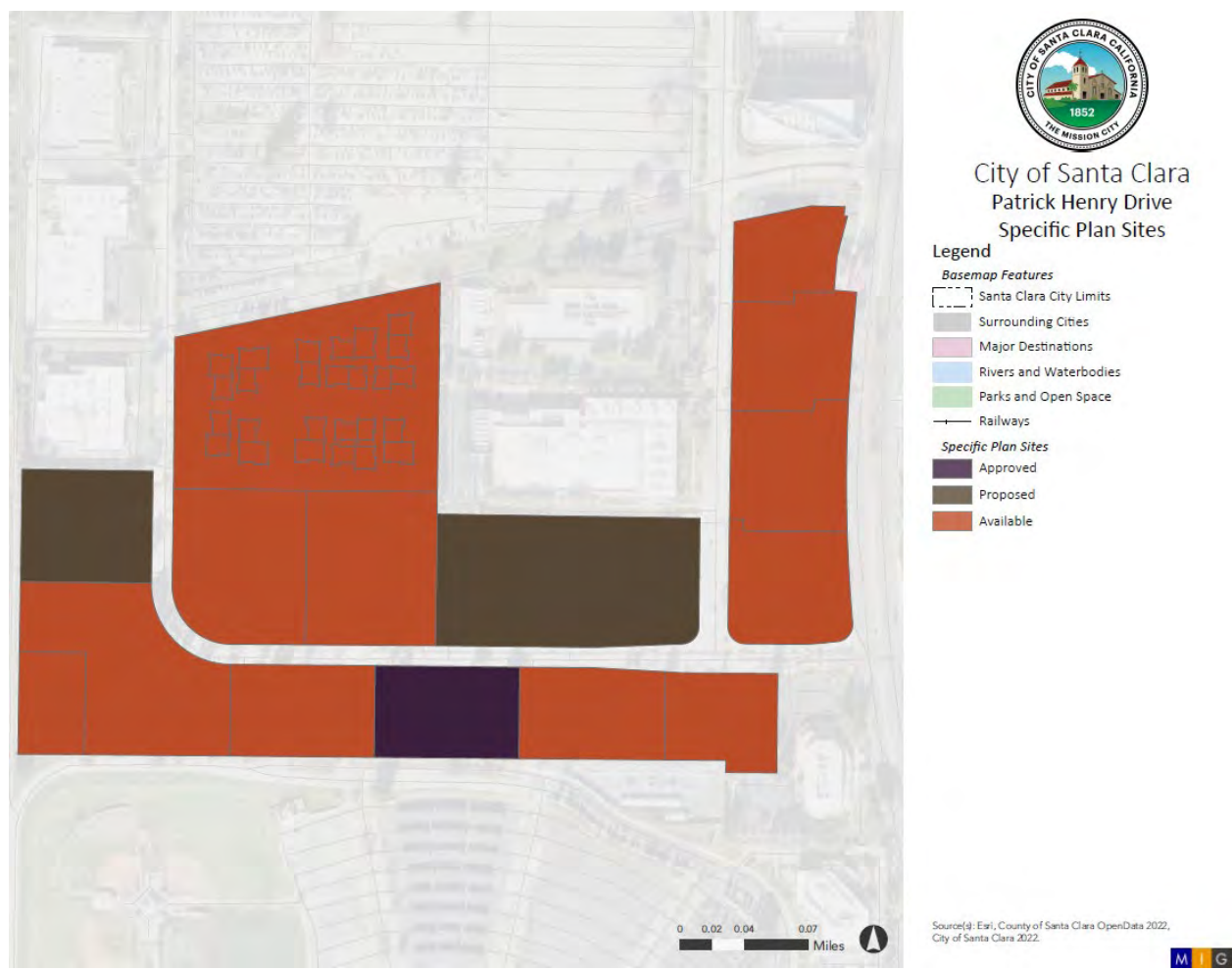




FIGURE 13.6-5 PATRICK HENRY SITES



Lawrence Station Area Plan

The Santa Clara Lawrence Station Area Plan Area is located northeast of the Lawrence Caltrain Station, bounded by Central Expressway to the north, Kifer Road to the South, Lawrence Expressway to the west, and Calabazas Creek to the east, encompassing approximately 72 acres (65 acres of developable land area excluding existing public right-of-way). Adopted in 2016, the Lawrence Station Area Plan is largely developed and was originally approved for the development of 3,500 units. Residential uses have replaced the areas original uses: one- and two-story buildings, generally occupied by light industrial (including manufacturing and warehousing uses), office, and various other commercial uses.

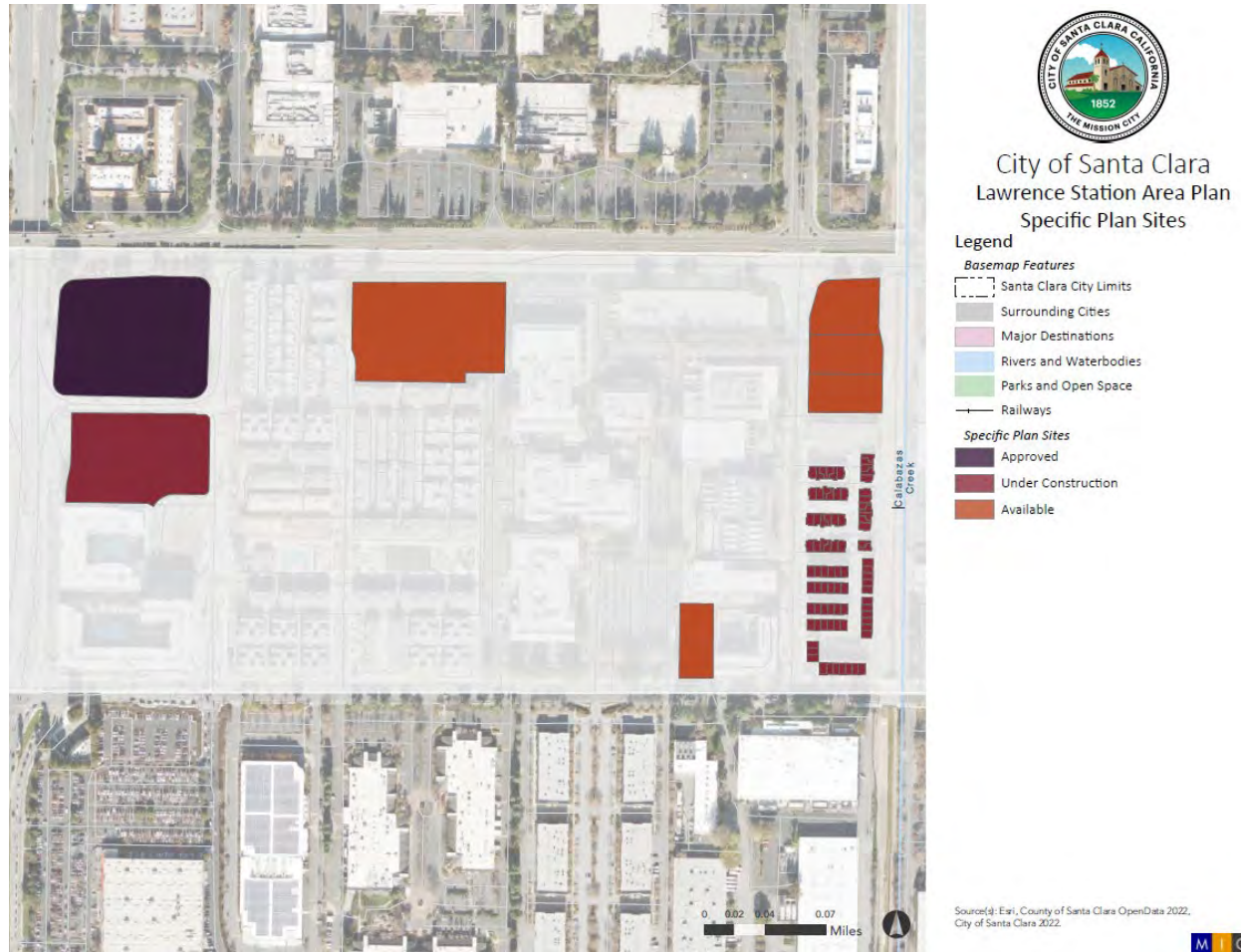
Four projects within the Specific Plan area were counted toward the sixth cycle RHNA as approved, proposed, or under construction. Nine-Five remaining parcels, on approximately 30 5.7 acres, have been identified as sites and remain to be re-developed. Not Viable sites were identified and excluded based on existing uses. Assuming realistic capacity, on a parcel-level, the Lawrence Station Area Plan sites identified in this Housing Element can accommodate a total of 9,808395 units (see Table 13.6-5). Appendix B provides a detailed list of all sites, including assumed affordability.

FIGURE 13.6-6 LAWRENCE STATION LAND USE DIAGRAM





FIGURE 13.6-7 LAWRENCE STATION SITES





SANTA CLARA HOUSING ELEMENT

<u>Availability of Sites for Housing.....</u>	<u>1</u>
<u>Sites Inventory Methodology and Assumptions.....</u>	<u>7</u>
<u>Site Selection.....</u>	<u>16</u>

List of Tables

<u>Table 13.6-1 City of Santa Clara RHNA 2023-2031.....</u>	<u>2</u>
<u>Table 13.6-2 Pending and Approved Projects.....</u>	<u>4</u>
<u>Table 13.6-3 High-Density Projects in Specific Plan Areas.....</u>	<u>9</u>
<u>Table 13.6-4 Specific Plan Land Use Designations.....</u>	<u>14</u>
<u>Table 13.6-5 Sites to Meet the RHNA.....</u>	<u>16</u>
<u>Table 13.6-6 2010-2035 General Plan Focus Areas.....</u>	<u>19</u>

List of Figures

<u>FIGURE 13.6-1 Sites Inventory.....</u>	<u>23</u>
<u>FIGURE 13.6-2 Tasman East Land Use Diagram.....</u>	<u>26</u>
<u>FIGURE 13.6-3 Tasman East Sites.....</u>	<u>27</u>
<u>FIGURE 13.6-4 Patrick Henry Land Use Diagram.....</u>	<u>29</u>
<u>FIGURE 13.6-5 Patrick Henry Sites.....</u>	<u>299</u>
<u>FIGURE 13.6-6 Lawrence Station Land Use Diagram.....</u>	<u>31</u>
<u>FIGURE 13.6-7 Lawrence Station Sites.....</u>	<u>32</u>

Chapter 13.7

Housing Element Program Accomplishments

This chapter analyzes program performance for the City of Santa Clara's 2015-2023 Housing Element programs. State law (California Government Code Section 65588[a]) requires each jurisdiction to review its Housing Element as frequently as appropriate and evaluate:

- The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goals
- The effectiveness of the Housing Element in attainment of the community's housing goals and objectives
- Progress in implementation of the Housing Element

This evaluation provides critical information on the extent to which programs have achieved stated objectives and whether these programs continue to be relevant to addressing current and future housing needs in Santa Clara. The evaluation provides the basis for recommended modifications to policies and programs and the establishment of new housing objectives. The Department of Housing and Community Development determined that the Santa Clara 2015-2023 Housing Element was in full compliance with State law. Following adoption in 2015, the City was tasked with following through on the commitments made in the housing programs. The City has analyzed the effectiveness of the 5th cycle Housing Plan actions, policies, and goals and has used this evaluation to inform the revised Housing Plan for the 6th cycle. While the fair housing analysis conducted in Chapter 3 relied upon contemporary data, the retroactive analysis of past program accomplishments depended on data points collected during program actions that, in some cases, did not align directly with the data points collected during the fair housing analysis conducted for the 6th cycle.

Specific attention was given in the evaluation of the cumulative effectiveness of past goals, policies, and related actions in meeting the housing needs of special populations. In cases where data was not available, institutional knowledge and staff interviews were used to provide context for the program evaluation. Generally, the effectiveness of the action was evaluated in terms of the:

- number of individuals served
- cost of the program/action based on the benefit to the individual served
- availability of funding and resources
- efficiency and effectiveness of the program partners and service providers



SANTA CLARA HOUSING ELEMENT

- the ability to satisfy expressed AFFH requirements in the next cycle.

Overall, the programs that targeted households showed that services were provided to a number of special needs households such as the elderly, persons with disabilities, female-headed households, and persons experiencing homelessness. Indirectly, the jurisdiction made efforts to increase affordability via policies supporting varied types and tenures and increase the affordable housing stock that generally improved the availability of housing that variably resulted in serving special needs households. Although no specific data points exist for some of the 5th cycle programs, it is expected that the populations served under many of the direct service actions align with those programs that did collect data, as shown in the matrix below. Overcrowded households were not identified in the 5th cycle as a targeted demographic for specific action, nor was farmworker housing as there are no active farms in the City of Santa Clara and no Agricultural Land Use Designations beyond the allowed use of community or urban gardens. However, during community engagement, an effort was made to identify farmworker populations that could be commuting to other jurisdictions or retired farmworkers that would be eligible for farmworker housing.

Anecdotal and statistically, we know that overcrowding is increasing due to affordability pressures on all households and the most vulnerable special needs populations will require additional attention beyond tenant protections. Therefore, many of the new program goals, policies, and actions are informed not only by the 5th cycle evaluation but the fair housing assessment and community input collected during the authoring of the Housing Element. Further, the City participated in a regional Assessment of Fair Housing process led by Santa Clara County -during the development of this document and facilitated a local homelessness taskforce and outreach process in 2022. Analyzing the cumulative effectiveness of the 5th cycle Housing Plan actions, policies, and goals in conjunction with the additional analyses conducted in this document along with community engagement, has provided clarity and focus on the development of the 6th cycle Housing Plan.

Following the evaluation table, the quantified objective performance is summarized. For the next cycle, 2023-2031 the Actions have been reprioritized and will be reordered based on the updated goals, policies, and the integration of HCD's new Affirmatively Furthering Fair Housing requirements.

5th Cycle Housing Plan

Table 13.7-1: Goals and Policies

Goal A: Create and maintain high-quality, livable, and unique residential neighborhoods and preserve established single-family neighborhoods.

Policy A-1 Maintain and improve the quality of residential neighborhoods, eliminate housing deficiencies and prevent future blight through the encouragement of ongoing maintenance, rehabilitation and conservation of existing housing stock.

Policy A-2 Provide code enforcement support for residential neighborhoods in conformance with City Code and Zoning Ordinance regulations.

Policy A-3 Promote compatibility between neighborhoods while respecting differences in neighborhood character.

Policy A-4 Promote consensus with City Design Guidelines.

Goal B: Manage growth in the City by designating suitable vacant or underutilized sites for new residential development and ensuring compatibility with community goals and existing neighborhoods.

Policy B-1 Disperse affordable housing units throughout the City to avoid a concentration in any one neighborhood.

Policy B-2 Encourage the building of higher density housing on appropriate vacant or underutilized sites.

Policy B-3 Encourage the annual construction of the number of housing units necessary to meet the City's regional housing needs determination through housing finance and reducing development constraints.

Policy B-4 Promote compatibility between neighborhoods while respecting differences in neighborhood character.

Policy B-5 Work towards the mitigation of jobs/housing ratio impacts created by developments with significant employment.

Policy B-6 Encourage higher density residential development in transit-oriented and mixed-use areas where appropriate.

Policy B-7 Encourage a mix of unit types and sizes in new housing development.

Goal C Provide housing within the community for persons of all economic levels, regardless of religion, gender, sexual orientation, marital status, national origin, ancestry, familial status, source of income, or mental or physical disability.

Policy C-1 Construct and preserve affordable housing for lower and moderate-income households through the use of public subsidies, regulatory incentives and flexible development standards.

Policy C-2 Participate in local, regional, State and federal programs that support affordable, transitional, supportive and permanent housing.

Policy C-3 Create opportunities for affordable housing and housing to support special needs populations and extremely low-income households.

Policy C-4 Ensure equitable housing opportunities for all residents.

Goal D Provide an adequate variety of individual choices of housing tenure, type and location, including higher density where possible, especially for low and moderate income and special needs households.

Policy D-1 Promote a variety of housing types, indifferent locations to maintain social and economic diversity in the City.

Policy D-2 Participate in programs that provide support services to residents in need.

Policy D-3 Increase public outreach efforts to inform residents and potential developers of available City housing programs.



SANTA CLARA
HOUSING ELEMENT

Table 13.7-1: Goals and Policies

Policy D-4 Encourage early participation from residents and other stakeholders in development of long-range plans and review of new development proposals.

Policy D-5 Ensure compliance with all State and federal regulations relating to housing opportunities and the prevention of discrimination.

Source(s): City of Santa Clara, 2022

Table 13.7-2: Actions and Objectives

Action	Program Title & Objective	Achievements/Results	Evaluation	Recommendation
Action 1	<u>Neighborhood Conservation Improvement Program (NCIP)</u> . Assist approximately 424 homeowners with rehabilitation assistance, including approximately 160 extremely low-income households (ELI). Continue to conduct inspections of homes on a request and complaint basis, providing referrals to the NCIP and assistance where possible to correct identified issues and problems. Policy A-1	2022: The City increased funding for smaller grant funded projects that address accessibility and minor repairs. 2018-21: The Housing and Community Services division increased funding for this program (approximately \$1 million annually) to assist more low-income and senior homeowners to improve the habitability, use and occupancy of owner-occupied housing. 2017: A NCIP Procedure Manual was updated and approved by the Loan Committee. 2015-16: An NCIP Procedural Manual is annually updated and approved by the Loan Committee.	Since 2014, the program has assisted over 121 low-income households of which 53 were seniors, and 37 were female headed households, and 11 were disabled.	Continue to offer these services, every two years the City could conduct proactive outreach to low-income homeowners who are elderly, have disabilities, or have large households. Renumbered and Renamed to Action 4: Maintenance of Housing Stock
Action 2	<u>Preservation of Assisted Rental Housing</u> . Continue to assist property owners of assisted housing by providing funding to make periodic improvements to the property, if available. Such assistance helps the project maintain its affordability.	Since 2014 the city has assisted with the preservation of Riverwood Place (146 units) by restructuring an existing City loan to allow for improvements and to extend affordability by 18 years. The City also helped preserve the 42-unit Westwood	Both projects serve lower income families	Continue to explore ways to preserve housing that serves a variety of groups pending

Table 13.7-2: Actions and Objectives

<i>Action</i>	<i>Program Title & Objective</i>	<i>Achievements/Results</i>	<i>Evaluation</i>	<i>Recommendation</i>
	<p>Continue to monitor at risk project by maintaining contact with the property owner annually regarding long term plans for the project.</p> <p>Establish contact with public and nonprofit agencies interested in purchasing and/or managing units at risk. As necessary and feasible, the City will provide financial and technical assistance to these organizations.</p> <p>Provide tenant education on Section 8 rental subsidies and other available assistance through City and County agencies as well as nonprofit organizations. Notify tenants at least one year in advance of potential conversion to market rate housing. Provide information regarding tenant rights and conversion procedures.</p> <p>Policy B-1, Policy C-1, Policy C-2, Policy C-3, Policy D-1</p>	Ambassador complex by restructuring our existing loan to allow for rehabilitation and to extend affordability by 27 years.		<p>available CDBG and PHLA capital funding, housing vouchers, funding for supportive services, and the interest of property owners to collaborate.</p> <p>Renumbered to Action 5</p>
Action 3	<p><u>Acquisition of Multi-Family Housing.</u></p> <p>Annually explore funding sources available at the regional, State, and federal levels to support acquisition/rehabilitation opportunities.</p> <p>Work with nonprofit entities to acquire and rehabilitate existing multi-family structures to be maintained as affordable rental housing.</p> <p>Seek opportunities to identify and purchase deteriorated residential properties during depressed rental</p>	<p>Multi-Family Housing Acquisition and Rehabilitation Status:</p> <p>2018-21: The City seeks opportunities to occupy deteriorated properties that, during times of depressed rental markets, cannot raise sufficient capital to rehabilitate. This is an active City program; however, market conditions have not provided compelling opportunities. In the meantime, the Housing and Community Services Division has launched a multi-family energy focused rehabilitation incentive for affordable</p>	The City is not well positioned to regularly compete for land on the open market.	Continue to coordinate with affordable housing developers and to explore and prioritize sites for possible funding assistance from the City.



SANTA CLARA
HOUSING ELEMENT

Table 13.7-2: Actions and Objectives

<i>Action</i>	<i>Program Title & Objective</i>	<i>Achievements/Results</i>	<i>Evaluation</i>	<i>Recommendation</i>
	markets, rehabilitate units, and convert from market rate to affordable levels. Policy B-1, Policy C-1, Policy C-2, Policy C-3, Policy D-1	projects in Santa Clara, with three projects currently in the pipeline. 2019-20: The City of Santa Clara has worked with Riverwood Place Associates, L.P. (MidPen Housing Corporation) to extend the affordable housing requirements for 148 rental units within the project located at 5090 Lick Mill Boulevard. MidPen approached the City of Santa Clara with a proposal to fund a solar panel installation as solar provides a great opportunity for long-term sustainability and cost savings. The estimated capital cost was estimated to be around \$680,000. MidPen Housing also proposed, as part of the financing strategy, to modify the terms of the City's existing Promissory Note. Whereas the original Promissory Note entitled the City to 75% of residual cash flow receipts, the proposed modification would entail a conventional 50/50 split of residual receipts between the City and MidPen. In exchange for the requested modification, the City requested to increase the interest rate to 2% from the original 0% and to extend the affordability covenants maturity date from March 14, 2056 to March 14, 2074, thereby preserving 148 studio apartments serving special needs adults for an additional 18 years. 2015-17: The City seeks opportunities to occupy deteriorated properties that, during times of depressed rental markets, cannot raise sufficient capital to rehabilitate. This is an active City program. These units are then converted to affordable units.		Renumbered to Action 6

Table 13.7-2: Actions and Objectives

Action	Program Title & Objective	Achievements/Results	Evaluation	Recommendation
Action 4	<u>Code Enforcement Program -</u> Continue the multi-family residential housing inspection and educational programs. Aggressively respond to violations of housing codes. Provide special attention to maintaining the stability of residential neighborhoods through development and enforcement of minimum standards of allowed use of the City's streets, as well as maintenance of front and other yard areas visible from the public right-of-way. Policy A-1, Policy A-2, Policy A-3, Policy A-4	City has three full time code enforcement technicians and one building inspector dedicated to code enforcement. Program has been successful in removing blight and substandard housing.	On-going	Continue with modification to expand Inspection and Code Enforcement Program to include proactive Multi-family Residential Housing inspections and educational programs in a regular cycle, which is beyond the current program that solely responds to code enforcement complaints Renumbered to Action 7
Action 5	<u>Neighborhood University Relations Program.</u> Improve the maintenance of student-occupied homes and behavior of the occupants to minimize impacts on the	Improve Relationship between Santa Clara University Students and other city residents in neighborhoods adjacent to SCU 2015-17 Status: The Planning Division and Police Department continue cooperation and giving attention to this	On-going; SCU now requires freshman and sophomore	Continue, as is Renumbered to Action 8



SANTA CLARA
HOUSING ELEMENT

Table 13.7-2: Actions and Objectives

<i>Action</i>	<i>Program Title & Objective</i>	<i>Achievements/Results</i>	<i>Evaluation</i>	<i>Recommendation</i>
	<p>neighborhood surrounding Santa Clara University (SCU).</p> <p>Enhance code enforcement and special Police patrols to address the problems in the area.</p> <p>Continue to hold meetings three times per year with student tenants, landlords, SCU, residents and the City to allow opportunities for stakeholders to discuss neighborhood issues and concerns.</p> <p>Continue to work with neighbors (residents, businesses, and institutions such as Santa Clara University) to ensure that development is compatible with existing neighborhoods and that neighbors are satisfied with the design, density, and parking requirements of projects.</p> <p>Policy A-1, Policy A-2, Policy A-3, Policy A-4</p>	<p>area. Meetings of all parties involved occur at least monthly.</p>	<p>students to live on campus, with some exceptions</p>	
Action 6	<p><u>Zoning Ordinance.</u></p> <p>Complete the comprehensive update to the Zoning Ordinance by mid-2016.</p> <p>Continue to monitor the Zoning Ordinance for any potential constraints to the development of housing, particularly housing for persons with special needs (including those with developmental disabilities) and amend the Zoning Ordinance as necessary.</p> <p>Policy A-3, Policy A-4, Policy B-2, Policy C-1, Policy C-2, Policy C-3, Policy C-4, Policy D-1, Policy D-5</p>	<p>Comprehensive Zoning Ordinance Update 2015-22 Status: The City is continuing to work on the comprehensive Zoning Ordinance Update, including the creation of more flexible mixed-use zoning districts that will be applied in the City's Focus Areas, including El Camino, Tasman East and Freedom Circle/Patrick Henry Drive.</p>	<p>The City has updated the zoning ordinance as the Specific Plans have been adopted. The City is currently updated the Zoning Ordinance</p>	<p>Continue, as is</p> <p>Renumbered to Action 9</p>

Table 13.7-2: Actions and Objectives

Action	Program Title & Objective	Achievements/Results	Evaluation	Recommendation
			with an anticipated completion in 1Q2023.	
Action 7	<p><u>Adequate Sites Inventory.</u></p> <p>Maintain an inventory of housing sites appropriate for a range of income levels and housing types, including supportive housing for persons with disabilities and developmental disabilities.</p> <p>Provide information and technical assistance on Federal and State funding sources or referrals to appropriate agencies.</p> <p>Disperse and monitor the location of affordable units in various areas of the City.</p> <p>Review housing sites inventory at time of development proposal to determine consistency with proposed density and assumed density in Housing Element.</p> <p>Maintain a zero net loss of units identified in the opportunity sites inventory of this Housing Element. If the assumed density is not entitled, a finding must be made that the displaced units can be redistributed to other opportunity sites.</p> <p>Encourage developments that are transit-based or in close proximity to transit when determining City affordable housing funding decision priorities.</p>	Identify Housing Sites (including TOD and Mixed Use) in General Plan. Status: Sites were identified in the General Plan and new housing has been approved and built-in areas designated for mixed use, including El Camino Real. The underutilized sites inventory is used during consultations with prospective developers.	On-going; Lawrence Station, Tasman East and Patrick Henry Drive specific plans approved	<p>Continue, with modification</p> <p>Renumbered to Action 10</p>



SANTA CLARA
HOUSING ELEMENT

Table 13.7-2: Actions and Objectives

<i>Action</i>	<i>Program Title & Objective</i>	<i>Achievements/Results</i>	<i>Evaluation</i>	<i>Recommendation</i>
	Encourage Mixed Use development where appropriate to provide increased opportunities for housing development. Notify owners of mixed use designated sites through an outreach/marketing program. Policy B-1, Policy B-2, Policy B-3, Policy B-5, Policy B-6, Policy B-7, Policy C-1, Policy C-3, Policy D-1, Policy D-3, Policy D-4			
Action 8	<u>Lot Consolidation.</u> Provide technical assistance regarding the lot consolidation process to interested parties. Provide the sites inventory to interested developers and assist in identifying sites with lot consolidation potential. Process lot consolidation applications concurrently with other applications for development. Policy B-2, Policy B-3, Policy C-1, Policy D-1	Consolidate lots for development 2015-17 Status: The City has been processing parcel maps and lot mergers to create larger, more easily developable sites, primarily occurring in the El Camino Real PDA.	This process has been successful when applied strategically	Discontinue
Action 9	<u>Impact Fees.</u> Assess if impact fees are constraining development or providing a competitive edge for the City. If City fees deviate significantly from those charged by comparable communities, take actions to adjust fees as appropriate. Policy B-2, Policy B-3, B-5, B-6, B-7, Policy C-3, Policy D-1	Explore Residential and Commercial Nexus Studies Status: 2017: The City completed both a residential and non-residential nexus study and has adopted residential and non-residential impact fees. 2016: The City has commissioned both a residential and non-residential nexus study and is currently doing outreach with stakeholders and the wider community.	The nexus studies have informed the Zoning Ordinance update	Continue Renumbered to Action 11

Table 13.7-2: Actions and Objectives

Action	Program Title & Objective	Achievements/Results	Evaluation	Recommendation
		2015: Studies have been required as part of environmental review of new employment-related developments, but conditioning and funding have only been accomplished where there were negotiations for a related Development Agreement.		
Action 10	<p><u>Provision of a Variety of Housing Types.</u> Promote the construction of accessory units to increase the type and size of the City's housing stock, with an objective of 25 units per year or 200 units over eight years.</p> <p>As part of the comprehensive Zoning Ordinance update (to be completed by mid-2016), reconsider, and revise if appropriate, requirements for accessory units.</p> <p>Conduct an ongoing promotional program, including mailings to owners of single-family properties with adequate size for accessory living units.</p> <p>Support development of low-income housing alternatives, such as single-room occupancy (SRO) units, senior housing, family housing, housing for persons with disabilities (including developmental disabilities) etc.</p> <p>Encourage affordable, compatible one- and two-story additions for upgrading single-family homes.</p>	<p>Fund Alternative Affordable Housing Types 2017-21 Status: The City is partnering with the County's Office of Supportive Housing to increase the supply of housing that is affordable and available to extremely low income and/or special needs households in the City through the use of funds from the 2016 Measure An Affordable Housing Bond. There are four active projects in the pipeline that total over 400 units. 165 of those units are for seniors, 134 of those units are set-aside for formerly homeless households, 15 units are set-aside for individuals who are disabled or have development disabilities, and 13 units are homeownership units.</p> <p>Encourage One- and Two-Story Additions 2015-21 Status: Almost 100% of proposed additions are approved, subject to Architectural Review, were consistent with zoning district standards. Modifications are typically approved for reduced rear yard for single story additions.</p> <p>Expand very low and extremely low-income units by following types of developments 2015-17 Status: SRO units, Senior Housing, Family Housing, etc. Support can be in the form of City</p>	This program has been successful in increasing housing types	Continue, as is Renumbered to Action 1



SANTA CLARA
HOUSING ELEMENT

Table 13.7-2: Actions and Objectives

<i>Action</i>	<i>Program Title & Objective</i>	<i>Achievements/Results</i>	<i>Evaluation</i>	<i>Recommendation</i>
	<p>Provide increased flexibility for houses built prior to the current zoning requirements.</p> <p>Continue to require the Residential Green Checklist as part of the permit submittals for residential construction.</p> <p>Policy A-3, Policy B-1, Policy B-3, Policy C-1, Policy C-3, Policy C-4, Policy D-1, Policy D-3</p>	<p>funds to variances based on SROs unique characteristics.</p> <p>2015-16 Status: Although not designed as Mixed-Use developments, residential units have been approved/constructed in areas designated Community Mixed Use. These projects will help to bolster the viability of mixed-use projects along the El Camino.</p> <p>Accessory Dwelling Units: The City now produces on the order of 50 ADUs/year, doubling the 2014 estimate.</p>		
Action 11	<p><u>Inclusionary Housing Policy.</u></p> <p>Continue to implement the Inclusionary Housing BMP and BMR programs.</p> <p>Annually monitor the effectiveness of the Inclusionary Housing Policy in expanding the housing supply and diversity in the community.</p> <p>Policy B-1, Policy B-2, Policy B-3, Policy B-7, Policy C-1, Policy C-2, Policy C-3, Policy C-4, Policy D-1</p>	<p>Inclusionary Housing requirement 2015-21 Status: The City's has adopted an Affordable Housing Ordinance, which has increased the inclusionary requirement 15% on site provision for for-sale and rental project with 10 units or more (compared to the previous requirement of 10% for only for-sale projects with 10 or more units). RDA subsidies for inclusionary housing were eliminated under the BMP Program in 1997.</p>	<p>This policy has been applied successfully to housing development projects and has produced low- and moderate-income housing.</p>	<p>Continue, with modification</p> <p>Renumbered and renamed to Action 2: Affordable Housing Ordinance</p>
Action 12	<p><u>Affordable Housing Incentives.</u></p> <p>Encourage and assist in efforts to combine public and private funds in joint housing ventures.</p>	<p>Develop Incentives for Affordable and Senior Housing Projects 2015-21 Status: The Zoning Code has been updated to reflect the current State density bonus provisions.</p>	<p>On-going</p>	<p>Continue, as is</p> <p>Renumbered and renamed to Action 3:</p>

Table 13.7-2: Actions and Objectives

<i>Action</i>	<i>Program Title & Objective</i>	<i>Achievements/Results</i>	<i>Evaluation</i>	<i>Recommendation</i>
	<p>As appropriate, support and/or partner with housing developers in the application for affordable housing funding, such as providing technical data, assistance in identifying available and appropriate sites, expediting review and processing of affordable housing, and providing local match as funding is available.</p> <p>Annually explore funding available at the regional, state, and federal levels for affordable housing development and programs.</p> <p>Continue to work with the Housing Authority of Santa Clara County to expand the Authority's ability to create low- and moderate-income housing.</p> <p>Participate with other local jurisdictions to provide affordable housing. Collaborate with neighboring jurisdictions to pursue funding opportunities for affordable housing programs. CDBG and HOME funds will continue to be used in conjunction with other cities' funds to construct shelters and to provide housing services.</p> <p>Continue to provide density bonuses or equivalent financial incentives for housing projects which include affordable and/or senior housing units, consistent with State law requirements.</p>			Affordable Housing Incentives and Facilitation



SANTA CLARA
HOUSING ELEMENT

Table 13.7-2: Actions and Objectives

<i>Action</i>	<i>Program Title & Objective</i>	<i>Achievements/Results</i>	<i>Evaluation</i>	<i>Recommendation</i>
	<p>Encourage housing developers to use the City's Density Bonus Ordinance and the Planned Development Zone District, which allow for flexibility in the zoning regulations.</p> <p>Continue to pursue opportunities to acquire and rehabilitate existing multi-family structures to be maintained as affordable rental housing.</p> <p>Encourage the provision of specialized housing to meet the needs of those with disabilities (including developmental disabilities); or for group care, emergency housing and foster homes, where appropriate.</p> <p>Identify situations of overcrowding and educate families of local housing programs.</p> <p>Incentivize nonprofit developers to develop units for very low and extremely low households by identifying appropriate housing sites or rehabilitation projects and matching developers with funding sources.</p> <p>Continue to require the Residential Green Checklist as part of the permit submittals for residential construction.</p> <p>Consider, in 2015-2016, other feasible incentives to foster affordable housing development in the City. These may include fee deferral, reduction, or waivers.</p>			

Table 13.7-2: Actions and Objectives

<i>Action</i>	<i>Program Title & Objective</i>	<i>Achievements/Results</i>	<i>Evaluation</i>	<i>Recommendation</i>
	Policy B-1, Policy B-2, Policy B-3, Policy B-7, Policy C-1, Policy C-2, Policy C-3, Policy C-4, Policy D-1			
Action 13	<p><u>Housing Mitigation Fee.</u> Continue to require housing impact studies as part of project- related environmental reviews for new developments or businesses that generate a high number of jobs. Continue to require Housing Impact Studies through development agreements with new projects, to address the impact on the affordable housing supply. Consider, in 2015-2016, establishing an affordable housing mitigation fee for office and industrial developments that propose a significant square footage of area where persons are to be employed. Policy B-2, Policy B-3, Policy C-1, Policy D-1</p>	<p>Requirement of Housing Impact Fee Studies for the largest projects; Development of a Housing Impact Fee Program Status: 2017-21: The City has adopted an Affordable Housing Ordinance, consisting of inclusionary on-site requirement for residential projects, impact fees for residential projects with 9 or fewer units, for fractional units and for nonresidential development. These requirements became effective on February 22, 2018. 2015-16: The City is currently in the process of outreach with the community and stakeholder to determine appropriate Affordable Housing impact fees, residential and non-residential.</p>	On-going	Discontinue
Action 14	<p><u>Affordable Housing Funding.</u> Identify a steady source of affordable housing funds. Pursue funding available from State, federal, and regional housing programs. Policy B-1, Policy B-2, Policy B-3, Policy B-7, Policy C-1, Policy C-2, Policy C-3, Policy C-4, Policy D-1</p>	<p>In 2022 the City joined the Santa Clara County PHLA Housing Consortium and will be allocating 2019 and 2020 funding in 2023. 2017-21: The City has adopted an Affordable Housing Ordinance, which includes a commercial linkage fee. The ordinance became effective on February 22, 2018, and since fall of 2021 has generated \$5.6 million since to address affordable housing needs in Santa Clara. 2015-16: The City is currently participating in the drafting of a multi-city nexus study for the</p>	On-going	<p>Continue to plan and allocate PHLA funding and to look for additional ongoing funding sources.</p> <p>Renumbered to Action 12</p>



SANTA CLARA
HOUSING ELEMENT

Table 13.7-2: Actions and Objectives

<i>Action</i>	<i>Program Title & Objective</i>	<i>Achievements/Results</i>	<i>Evaluation</i>	<i>Recommendation</i>
		creation of both residential and commercial housing impact fees.		
Action 15	<p><u>Economic Displacement.</u> Evaluate programs and policies and provide recommendations to City Council within one years of Housing Element adoption. As necessary and appropriate, adopt programs and policies to address displacement within two years of Housing Element adoption. Monitor programs and policies bi-annually for effectiveness. Policy B-4, Policy B-5, Policy C-1</p>	<p>The City continues to provide Tenant Based Rental Assistance (TBRA) in the form of deposits and rental subsidies for up to 12 months, along with case management services, to families with children experiencing homelessness, those fleeing domestic violence, or families with children that are at risk of homelessness.</p> <p>Community Ownership Conversion Tenant Protections 2018-21 Status: In the case of condominium conversions, landlords are required to provide tenant protections, including advance notice requirements, right of first refusal, and relocation assistance</p> <p>2019-20 - On March 24, 2020, the Santa Clara City Council approved Ordinances 2014 and 2015, establishing a temporary eviction moratorium in response to the COVID-19 pandemic. The moratorium went into effect immediately, March 24, and the Council subsequently extended the moratorium through August 31, 2020, at which time AB 3088 established a statewide prohibition on residential evictions.</p> <p>Provide Relocation Assistance to Residents Displaced by Redevelopment 2015-17: With the closure of the RDA, the City is exploring funding</p>	<p>The eviction moratorium has since expired, and state and pandemic related local rental assistance programs have ended. Additional programs may be needed to respond to displacement pressures.</p>	<p>Continue to provide TBRA and explore additional programs that respond to and prevent homelessness and displacement. Allocate the City's HOME ARP funding in 2023.</p> <p>Renumbered and renamed to Action 13: Residential Displacement</p>

Table 13.7-2: Actions and Objectives

Action	Program Title & Objective	Achievements/Results	Evaluation	Recommendation
		streams, including housing linkage fees, for relocation assistance. The City actively encourages developers to provide advance notice and relocation assistance for displaced tenants.		
Action 16	<p><u>Shared Housing.</u></p> <p>Continue to support programs designed to create shared housing arrangements for seniors, families, and persons with disabilities (including developmental disabilities).</p> <p>Annually evaluate the need for shared housing services as part of the CDBG annual plan process.</p> <p>Policy B-1, Policy C-2, Policy C-3, Policy C-4, Policy D-1, Policy D-2</p>	<p>Support Shared Living Facilities & Operations 2015-21 Status: The City encourages shared housing arrangements and group living arrangements for special populations who are very low income. In 2018 there was one official shared housing program for seniors in Santa Clara County and it was operated by Catholic Charities. This program ended because it was not sustainable, as it had too few landlords, too many renters, and it required a lot of staff facilitation. Some Seniors have indicated to City staff that they would prefer a 1 bedroom with support services for privacy and safety reasons.</p>	Home sharing can work well for group homes, but less so for the elderly residents.	<p>Continue to support the creation of new shared housing for persons with developmental disabilities. Explore service enhanced senior housing with rents capped at 30% of income versus based on AMI. Explore a new position to help seniors navigate the housing market and to access subsidized housing.</p> <p>Renumbered to Action 18</p>
Action 17	<p><u>Housing Choice Voucher Program.</u></p> <p>Continue to participate in and promote the Housing Choice Voucher Program.</p>	<p>Promote Section 8 Housing Program 2015 Status: Currently, the Housing Authority has 659 certificates/vouchers under contract within the City, 269 of which are elderly.</p>	On-going	<p>Continue, as is</p> <p>Renumbered to Action 14</p>



SANTA CLARA
HOUSING ELEMENT

Table 13.7-2: Actions and Objectives

<i>Action</i>	<i>Program Title & Objective</i>	<i>Achievements/Results</i>	<i>Evaluation</i>	<i>Recommendation</i>
	Encourage apartment owners to list properties with the Housing Authority for individual Housing Choice Vouchers. Policy B-1, Policy C-1, Policy C-2, Policy C-3, Policy D-1			
Action 18	<u>Homeownership for First-Time Buyers.</u> Continue to collaborate with NHSSV to implement the BMP program and provide assistance to approximately 10 to 15 lower, moderate-, and middle-income households during the 2015-2023 Housing Element planning period. Promote homeownership, particularly for first time buyers, through single-family, townhouse and condominium construction as well as conversion of rental to condominium ownership, where appropriate. Encourage program participation among moderate income households, as well as low-income households, while interest rates are low. Continue to promote homebuyer assistance programs through the Housing Trust Silicon Valley and the County of Santa Clara. Include links to these housing resources on City website by 2015. Policy B-1, Policy C-2, Policy D-1	Support and Fund First-Time Homebuyers (FTHB) 2015 Status: The Santa Clara's BMP (Below Market Purchase) program produced 4 first time homebuyers this year. They were all moderate income. There are 106 BMP owners in the current program since 2007 through October 28, 2022.	The current BMP program does not require BMP homes to stay affordable for more than five years. Policy changes could require resale to income qualified buyers and create more	Continue, with modification to require longer affordability terms on BMP homes. Renumbered to Action 15

Table 13.7-2: Actions and Objectives

Action	Program Title & Objective	Achievements/Results	Evaluation	Recommendation
			opportunities.	
Action 19	<p><u>Fair Housing Program.</u></p> <p>Continue to refer tenant-landlord complaints to an agency offering meditation.</p> <p>Provide referral services and promotional support to link those experiencing discrimination in housing with public or private groups who handle complaints against discrimination.</p> <p>Seek state and federal enforcement of fair housing laws and continue to cooperate with local agencies investigating claims of discrimination in lending practices and predatory lending.</p> <p>Provide outreach and education materials about fair housing services, nonprofit partners (e.g., Project Sentinel).</p> <p>Continue to hold open house events and meetings to distribute fair housing information and resources to tenants and homeowners in need of assistance.</p> <p>Refer disputes between property owners to the County Human Relations Commission's Dispute Officer.</p> <p>Policy B-1, Policy C-2, Policy D-1</p>	<p>Contract with Non-Profit Agency for Mediation Services 2015 Status: Annual service contract with Project Sentinel to provide tenant-landlord dispute resolution service on city-wide basis</p> <p>Provide Referral Services and Support for Discrimination Concerns 2015 Status: Provision of fair housing services by the City is essential to meet federal and State requirements to affirmatively further fair housing. Housing projects funded by federal HOME funds must develop and implement an affirmative marketing plan.</p>	<p>This has been an important resource that will continue to expand in outreach</p>	<p>Continue, with modification</p> <p>Renumbered to Action 16</p>
Action 20	<p><u>Homeless Services.</u></p> <p>Assist in funding locally administered programs that provide shelter, food and clothing for those with transitional and supportive housing needs.</p>	<p>The City has invested several hundred units of permanent supportive housing and/or ELI/VLI housing for families, individuals, and seniors.</p>	<p>The City has invested in a variety of</p>	<p>Continue to fund services and complete the City's local</p>



SANTA CLARA
HOUSING ELEMENT

Table 13.7-2: Actions and Objectives

<i>Action</i>	<i>Program Title & Objective</i>	<i>Achievements/Results</i>	<i>Evaluation</i>	<i>Recommendation</i>
	Continue to support housing for at-risk youth. Policy B-1, Policy C-2, Policy D-1	The City has also invested in public services through its CDBG and HOME programs including Tenant Based Rental Assistance, the regional Homelessness Prevention System, case management services for permanent supportive housing, assistance for survivors of domestic violence, and more. In 2022 the City conducted a six-month Homelessness Task Force and outreach process and published a draft strategic framework.	services and is in the process of writing a local strategic plan to expand its efforts.	homelessness response plan and begin implementing new programs that respond to the identified gaps. Renumbered to Action 17

Source(s): City of Santa Clara, 2022

Quantified Objectives

Table 13.7-2 summarizes Santa Clara's quantified objectives for the 2015-2023 Housing Element planning period and the progress the City has made, including progress meeting the City's fifth cycle RHNA.

Table 13.7-3: Summary of 2015-2023 Housing Element Quantified Objectives (through 2022 APR)

Objectives	Affordability Breakdown					Totals
	Extremely Low	Very Low	Low	Moderate	Above Moderate	
Building Permit Objectives (RHNA)						
Goal	-	1,050	695	755	1,593	4,093
Progress	-	289474	246502	125213	4,6066,932	5,266
Single-Family Rehabilitation Objective						
Goal	424 (160 ELI)			-	-	424
Progress	121 (24 ELI)			-	-	121
At-Risk Housing Units to Preserve						
Goal	-	-	-	-	-	-
Progress	-	-	-	-	-	-

Source(s): City of Santa Clara, 2023



**SANTA CLARA
HOUSING ELEMENT**

This page was left intentionally blank.

5 th Cycle Housing Plan	3
Quantified Objectives	21

List of Tables

Table 13.7-1: Goals and Policies	3
Table 13.7-2: Actions and Objectives	4
Table 13.7-3: Summary of 2015-2023 Housing Element Quantified Objectives (through 2022 APR)	21

Appendix A

Outreach

Summary

As part of the Housing Element update draft a Public Engagement Plan (PEP) was developed by City staff to provide the community public participation opportunities during the development of the Housing Element under Gov. Code Section 65583 (c)(9). Additionally, the City set up a housing element webpage: <https://www.santaclaraca.gov/our-city/departments-a-f/community-development/planning-division/general-plan/housing-element-update>; that provided continual updates as work on the 6th Cycle Housing Element progressed. The list-serv generated by this effort has 1,500 subscribers (as of January 3, 2023) that are notified when the page updates and notifications are posted regarding the Housing Element.

During the development of the PEP stakeholders were identified and interviewed, surveys were conducted in multiple languages, and comment on the draft element was received; all informing the final iteration of the 6th Cycle Housing Element.

Stakeholder interviews were conducted to help build a framework for the 6th Cycle Housing Element. The interview questionnaire and summary are included in **Appendix A-1: Stakeholder Interview Summary**. The stakeholders that were interviewed are a subset of interested parties that were contacted from a list of community members and organizations listed in **Appendix A-2: Stakeholder List**.

Shortly after the interviews were conducted, the City conducted an on-line survey to gather information about how residents were experiencing housing. The survey was conducted in English, Spanish, Vietnamese, and Chinese (Mandarin). There were well over 1,500 responses which are summarized in **Appendix A-3: Community Survey Summary**. The survey results were incorporated into the formulation of the 6th Cycle Housing Plan Goals, Policies, and Actions. Although, there was some demographic variance in the results of the survey, they were not statistically significant. Nonetheless, where there were apparent variances or interesting results, those were provided in the summary sections as additional result tables. Finally, feedback collected provided support for the Housing Plan actions focused on diverse outreach and engagement and services to protected classes.

Appendix A-4: Regional Santa Clara County AFFH Related Outreach and **Appendix A-5: Housing Element Specific Outreach** provide numerous instances of regional and local outreach activities that the City conducted or participated in. As stated in the introduction to this 6th Cycle Housing Element, outreach consisted of:



HOUSING ELEMENT

- Community Meetings
- Stakeholders Meetings, Questionnaires, and Interviews
- Digital Surveys: English, Spanish, Vietnamese, Chinese (Simple)
- Community Events
- Community Pop-ups
- Tenant Listening Sessions
- Homelessness Taskforce Meetings
- Planning Commission and City Council Meetings

At a high level, the community engagement was utilized to balance and align community input with State Housing Law requirements. With, consistent themes of affordability, housing type and tenure, housing choice, tenant protections, and homelessness the outreach process informed the Housing Plan actions, policies, and actions, and confirmed or highlighted trends identified by the demographic analysis. Specifically outreach informed the creation of new efforts in the Housing Element as follows:

- Respondents to outreach and commentators were concerned that the designated levels of affordability in the city's existing inclusionary ordinance are increasingly not affordable for many residents. The Housing Element includes a planned effort to update the inclusionary ordinance to increase a greater number of units in the deeper affordability categories and to redefine the City's moderate affordability category to reflect a lower income range. Also proposed is including in the City's Notice of Funding Availability specifications criteria that would prioritize City funding of Extremely Low Income and Very Low Income units.
- Consistent feedback was received through all outlets and demographics of respondents highlighting the need to better address homelessness. The City's newly created Homelessness Task Force comprised of service providers, advocates, and individuals with lived experience of being unhoused have provided recommendations that are being pursued through the creation of a Homelessness Response Plan with implementation actions that will be adopted in early 2023.
- Commentors provided feedback on the need for more displacement prevention. The Housing Plan includes the City Council's future consideration of new policies and programs that would require no net loss of income restricted units during construction or rehabilitation of existing housing; replacement of existing affordable housing units at the same or lower affordability levels; landlord and City notification and information for tenants affected by efforts that would cause relocation; require developers to provide relocation benefits beyond State requirements.

- Residents of affordable and special needs housing shared at listening sessions that they have been particularly affected by heat waves and wildfire smoke. As part of the City's CDBG program, the City will promote a Notice of Funding Availability process for installation of HVAC improvements for sensitive populations.

The City of Santa Clara asked for the public's comments on the Housing Element Draft via its website, list-serv, social media, printed/mailed newsletter (Inside Santa Clara), e-newsletter (City Hall News) and public meetings. The comments were collected via Konveio, a public comment platform for document review and via email. The public comments received on-line and via formal comment letter are included in **Appendix A-6: Public Review Draft Comments, Figures 1-9**. Following the public comment period on the Housing Element Update, commenters and stakeholders were invited to a stakeholder meeting to discuss the potential Housing Plan goals, policies, and actions that could address their questions and concerns.

Additionally, the City continued to engage in community outreach during the 90-day review period of the Housing Element Draft by HCD. The input collected during this period is subsumed in the housing element specific outreach mentioned above in **Appendix A-5**. Public and comment and formal letters continued to be addressed after the City received comments on the Housing Element Draft. Notably, the section on Housing Resources, was significantly revised based on formal comments regarding the City's process for site selection.

Appendix A-1 Stakeholder Interview Summary

Six interviews were held via telephone, zoom, and/or email with internal and external community stakeholders between May and June 2022.

FIGURE 1: INTERVIEWS AND SCHEDULE

Santa Clara Unified School District	May 9, 2022
Santa Clara Schools Foundation	May 13, 2022
Santa Clara Senior Center	May 13, 2022
PARS Equality Center	May 18, 2021
Momentum for Health	May 31, 2022
Calabazas Community Apartments, Adobe Services	June 8, 2022



STAKEHOLDER INTERVIEW QUESTIONS & KEY FINDINGS

1. What are the strengths and assets that make Santa Clara a great place to live?

City of Santa Clara provides its residents with a safe, diverse, community driven environment. The public facilities and parks are a utilized asset in the community.

- Weather
- Diverse population (ethnically, economically, age)
- Safe
- Great public facilities, parks, libraries, recreation facilities
- Great location, easily accessible to other areas in the Bay Area
- Good transport
- Venues, entertainment options
- Small town, University/Community College town makes it a great location to live
- High quality schools
- Family and community oriented
- Supports its residents

2. What are the most critical challenges related to residential development in Santa Clara?

Due to the high cost of living and housing shortages, some residents are unable to afford rent or to buy homes. A shortage of affordable and low-income housing could push residents out of the city.

- Cost of housing
- County code prohibits acquiring homes and buildings
- Shortage of affordable and low-income housing
- The personal home buying process is difficult due to affordability and cash offers
- Unable to place underhoused and unhoused community in shelters or affordable housing
- Lack of land for new developments
- Lack of housing and securing of more housing
- Difficulty welcoming others, NIMBY
- Congestion in existing developed areas
- High cost of rent and living will push residents out of the area
- Wait list for housing vouchers, Section 8 lottery
- Cost of construction
- Lacks character and a downtown
- Housing department is outsourcing housing assistance as well as creating barriers

3. What are your priorities for housing development in Santa Clara?

The priorities for the City of Santa Clara should be to provide affordable housing to the locals. Establishing creative housing programs is also a priority. Tackling homelessness should also be a priority.

- Financial assistance and programs for organizations to buy buildings for services such as mental illness facilities, homeless shelters
- Increase amount and accessibility of affordable housing
- Partnerships with organizations to allow for creativity
- Affordable housing for families who work in Santa Clara and send their children to public schools
- More affordable housing
- Subsidized housing options
- Facilities for people coming off the streets

4. What is your definition of affordable housing and who does it serve?

The key responses include: prioritizing the service industry, seniors, police officers, teachers, and locals. Residents should not have to pay more than 50% of their income for housing.

- Subsidized housing, based on income listed on tax returns
- Affordable housing and care for individuals with serious mental illnesses
- Serves people who are service workers/blue collar as well as the entire community
- Allows for a community to develop in a city
- Housing that is affordable for families to live in the city where they work
- Two working adults can afford rent without sacrificing food or a savings
- For teachers, seniors, police, only one senior housing development in the area

5. Are there housing projects (or general development trends) in other cities that are examples of what you would like to see in Santa Clara?

Below are examples of cities with housing projects or development trends suggested by the stakeholders.

- 41 South 11th Street house for housing and maintaining housing for groups of people
- Orange County Health Improvement Plan is a nonprofit that works with



HOUSING ELEMENT

- the county to train employees to operate housing buildings
- Short term rental assistance (TBRA)
- Charities Housing in Cupertino
- The Veranda Senior Housing
- Apartments/Condominiums with more than two bedrooms and in large buildings

- Multigenerational housing developments, co-ops: <https://www.cotaticohousing.org/>
- San Jose, community engagement
- Permanent supportive housing facility by PATH in San Jose: Villas on the Park

6. How do you see Santa Clara changing over the next 8-10 years? What role does housing play in these changes?

Providing children, elderly, and lower income residents with affordable housing options is critical to maintaining a sense of community in the City of Santa Clara. Creative and innovative housing approaches may pose challenges with locals.

- Shortage of professionals
- Something should be done about affordable housing
- Less people will want to live in the area if there are tents on the street
- Less taxes otherwise businesses won't thrive
- Give locals a reason to stay
- Expanding housing in a creative way could make people uncomfortable
- If housing doesn't change Santa Clara will not grow in a diverse way and live up to its potential
- Digitization of application processes for affordable housing
- Reduced waiting and processing time to meet demand
- Increased value in the area due to new Google development
- Crime should be addressed for safety
- Equitable quality of school districts
- Multi-bedroom units are needed for families to stay
- Increase in city policies and funding toward creating affordable housing for those in need
- Prioritize seniors and low income

7. Are there neighborhoods in the city that lack access to opportunities for healthy food, green space, transit, quality jobs and education?

Overall, the city provides access to opportunities for the residents of the City of Santa Clara. Some neighborhoods in the city could improve on access to food and transportation.

- Stakeholder is unfamiliar with the area or does not live in the city
- City provides access to opportunities
- Bicycle lane improvements
- Suburban neighborhoods lack walkability

- Transportation is infrequent and does not include enough routes
- Some neighborhoods (such as Lafayette) lacks access to nearby grocery stores

8. Can you share any thoughts or stories about housing discrimination and/or housing segregation in Santa Clara?

Overall, there is a stigma around low-income and affordable housing, particularly with landlords.

- Generally, not too prevalent in the city
- Discrimination and stigma from landlords regarding Section 8/low-income applicants
- Difficulties finding landlords willing to work with participants
- Limited supply of housing in the city
- Outdated stereotypes and stigmas about people with housing vouchers
- Upper class residents are less interested in providing the community with affordable or low-income housing developments
- Low-income housing lumped into one building
- Lower income apartments are located near title I schools and districts
- Families in low-income, one-bedroom apartments out of necessity

9. How can the City, in partnership with stakeholder groups, help to ensure inclusive and equitable fair housing outreach that includes all segments of the community?

Partnering with stakeholder groups is important to the community, however inclusive and equitable outreach are key. Residents would like the city to provide outreach to residents in multiple languages and with clearer guidelines to ensure fair housing.

- Understand the residents' needs
- Acknowledge subgroups other than those defined by race or ethnicity that need housing
- Ensure more affordable housing is implemented
- Prioritize teachers, law enforcement, nonprofit workers who want to stay in the city
- Regular outreach meetings to share community needs with the city
- Prioritize building multi bedroom housing
- Provide information about housing in multiple languages
- Provide clear guideline for who qualifies for housing programs
- City's emailing list does not reach all groups
- Not realistic to buy a house in the city of Santa Clara



HOUSING ELEMENT

10. Are there residential blocks or neighborhoods in the city that lack access to quality education and daycare, open space and parks, libraries, shopping, grocery stores, transit service, clean air, and/or other opportunities?

Below are examples of residential blocks or neighborhoods in the city that stakeholders suggest lack access to quality education and daycare, open space and parks, libraries, shopping, grocery stores, transit service, clean air, and/or other opportunities:

- Residential blocks exist in unincorporated areas with the east and south of the city - going towards the foothills (White Rd) and south of the City (Monterrey, Bernal Rd). These areas need more transportation.
- The state is investing resources in BART and the light rail, but they are not reaching those areas. There is a need for more community health clinics, subsidies for day cares throughout the city.
- The northwest of the city will lack an elementary school once all the units are constructed
- Some neighborhoods are further away from public amenities (such as libraries)
- Clean air is a problem in areas like Lawrence, Montague, Santa Moss, and El Camino
- Lafayette and Clyde is a very industrial block with factories and chemical release
- Noise pollution from the nearby San Jose airport, Levi's stadium, and major roads
- Not everybody has AC filters

11. Are there any other specific stakeholders we should be talking with?

Below is a list of suggested stakeholders to speak with:

- Teresa O'Neill – former city council member
- First community housing (<https://www.firstcommunityhousing.org/>), 21 major projects in Santa Clara County - experts in housing regulations and they understand the basic needs.
- African American Cultural Center
- Donald, Executive Director of Pacific Clinics (Previously UpLift Family services) – he works with families, youth and can give a different perspective on other populations
- Community Solutions
- Religious centers such as churches



Appendix A-2: Stakeholder List

The stakeholder list initially identified potential organizations and individuals that could be interviewed and potentially participate in a stakeholder workshop(s). The organizations and individuals were contacted by e-mail and direct phone calls to participate in a formal interview.

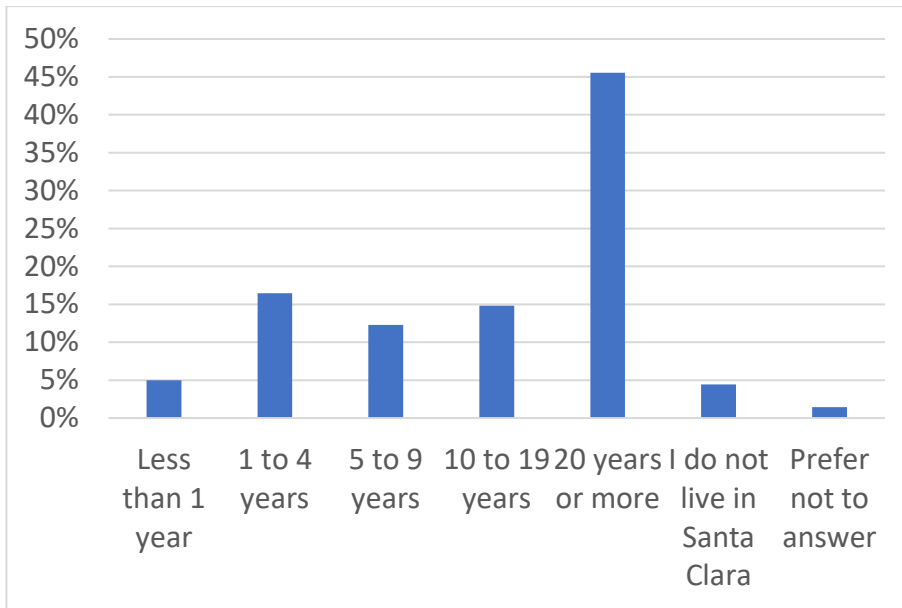
Company/Organization	Groups Served / Sector									
	Elderly/ Seniors	Persons Experiencing Homelessness	Families (large families, female headed families)	Persons with disabilities	Persons with developmental disabilities	Lower income households	Farmworkers	Spanish speaking residents	Affordable Developer	Market Rate Developer
Santa Clara Housing Authority						X			X	
City of Santa Clara Youth Commission Safe Place										
City of Santa Clara Senior Advisory Commission	X									
Santa Clara Senior Center	X									
Heart of the Valley: Services for Seniors	X									
Santa Clara Lions Club										
Santa Clara Libraries		X				X				
West Valley-Mission Community College										
Santa Clara University		X	X			X		X		
Mission College Santa Clara			X		X	X				
Santa Clara Historical Society										
Santa Clara Unified School District										
Santa Clara City Library Foundation and Friends										
Santa Clara Youth Soccer League										
Santa Clara Lions Youth Football & Cheer										
Santa Clara Westside Little League										
Briarwood El Camino Little League										
Santa Clara Swim Club										
Sierra Club Loma Prieta										
Asian American Center of Santa Clara County	X					X				
San Jose Japanese American Citizens League										

Company/Organization	Groups Served / Sector									
	Elderly/ Seniors	Persons Experiencing Homelessness	Families (large families, female headed families)	Persons with disabilities	Persons with developmental disabilities	Lower income households	Farmworkers	Spanish speaking residents	Affordable Developer	Market Rate Developer
Hispanic Foundation of Silicon Valley								x		
CAIR California San Francisco Bay Area										
PARS Equity Center						x				
Jewish Family Services of Silicon Valley	x	x	x			x				
Santa Clara Women's League	x									
Elk's Lodge #2347										
Rotary Club of Santa Clara										
Santa Clara Kiwanis Club	x	x	x	x	x	x				
Sacred Heart Community Service	x	x	x			x				
Project Sentinel	x	x	x	x	x	x		x		
Bill Wilson Center		x								
SV@Home									x	
Abode Services		x							x	
Salvation Army (San Jose)	x	x	x	x	x	x				
Homelessness Task Force			x							
Planning Commission										
Santa Clara Unified School District (McKinney Vento homelessness prevention)		x	x							
City of Santa Clara Chamber of Commerce										
Catholic Charities of Santa Clara County	x	x	x	x	x	x				
Momentum for Health				x	x					
Roots Community Health Center	x	x	x	x	x	x				
American Legion Santa Clara Post 419 (Veterans Services)	x	x								
Working Partnerships USA			x			x		x		

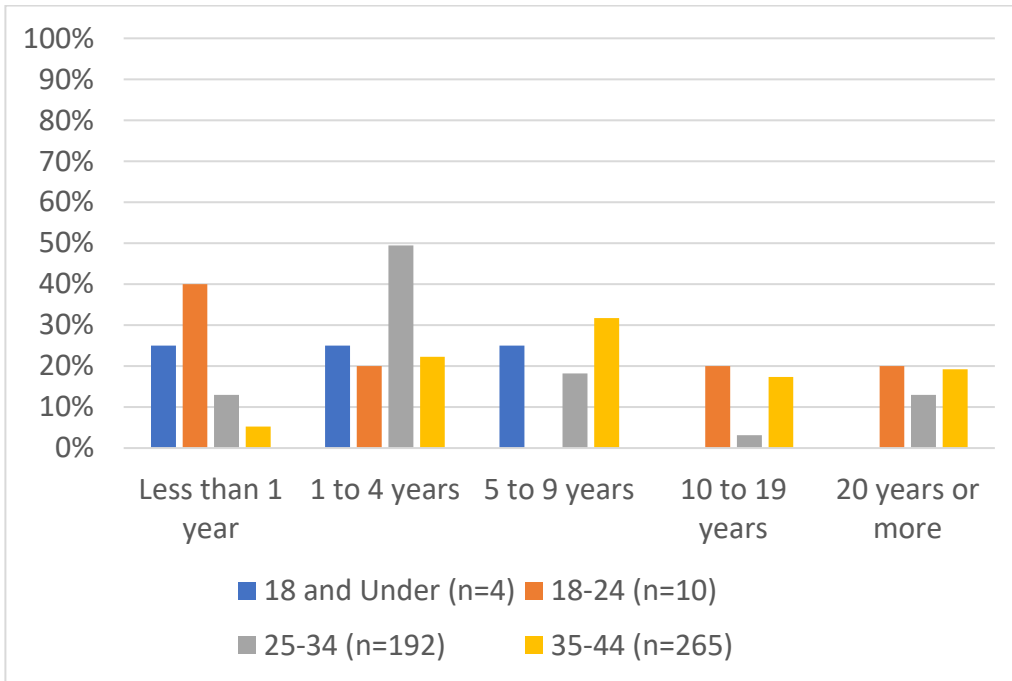


Appendix A-3: Community Survey Summary

**FIGURE 1: HOW LONG HAVE YOU LIVED IN THE CITY OF SANTA CLARA?
(QUESTION 1; N=1,585)**



**FIGURE 2: HOW LONG HAVE YOU LIVED IN THE CITY OF SANTA CLARA?
(QUESTION 1; UNDER 18 – 44 YEARS OLD; N=471)**





HOUSING ELEMENT

**FIGURE 3: HOW LONG HAVE YOU LIVED IN THE CITY OF SANTA CLARA?
(QUESTION 1; UNDER 45 YEARS OLD – 65 AND ABOVE; N=842)**

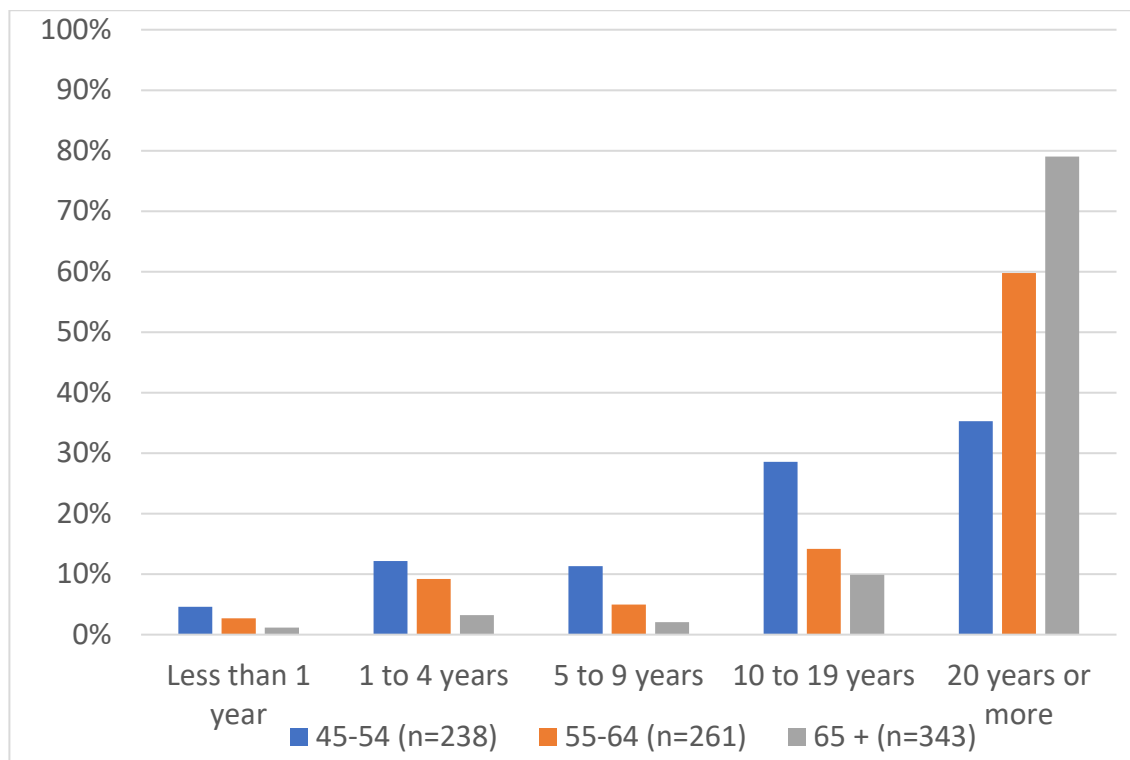
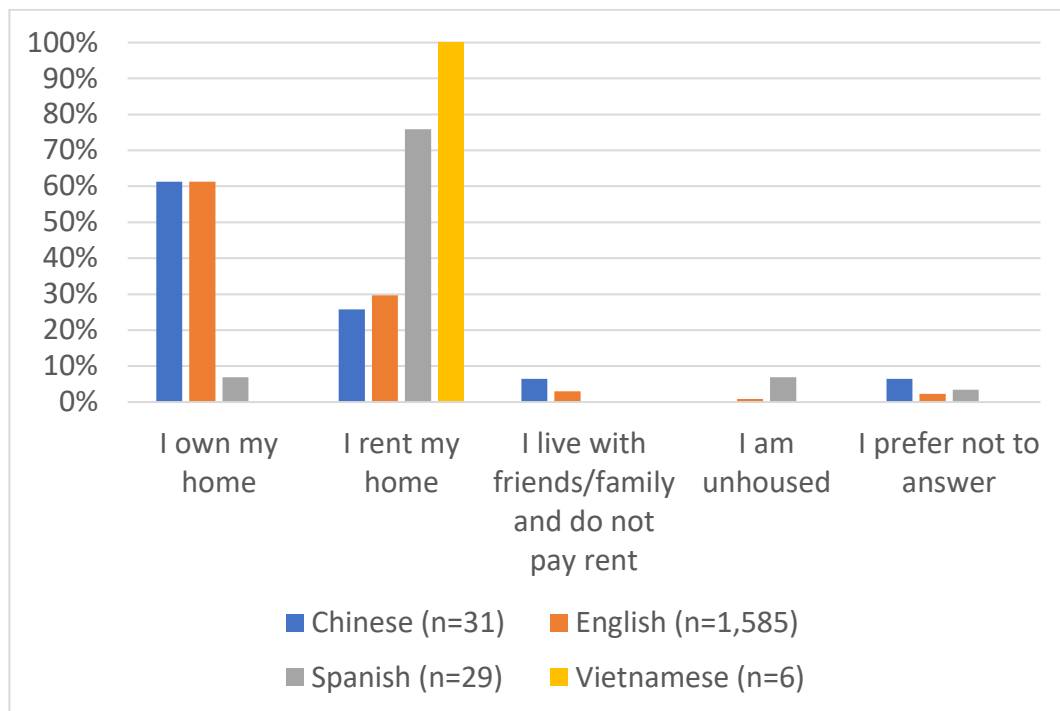
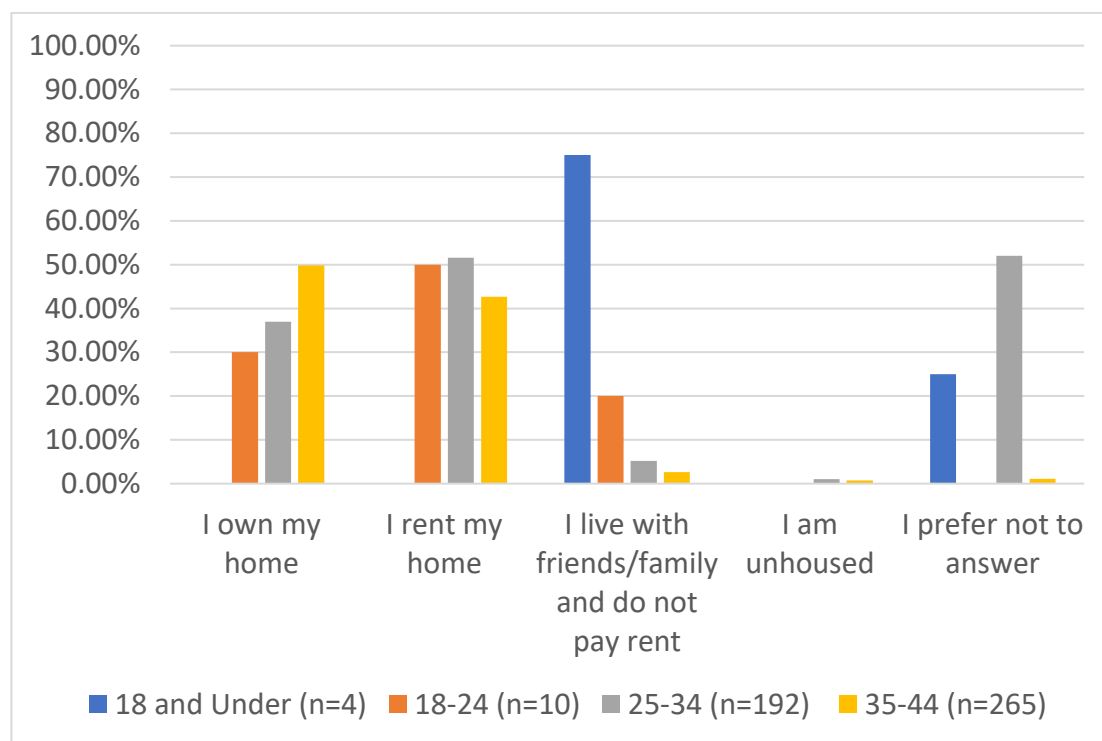


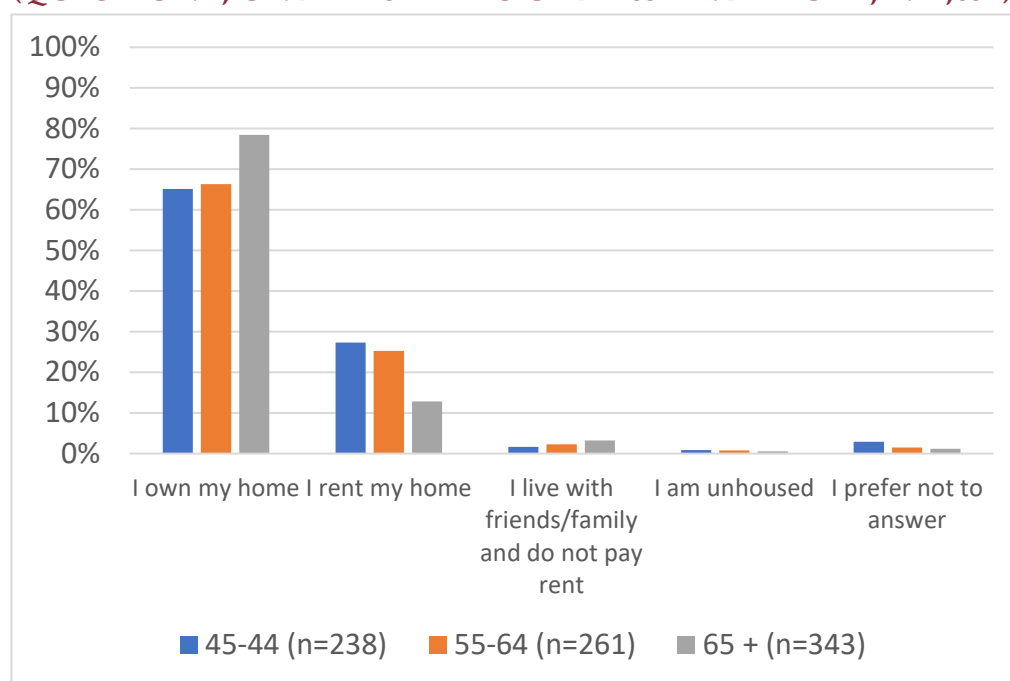
FIGURE 4: WHAT IS YOUR CURRENT HOUSING SITUATION? (QUESTION 2; N=1,651)



**FIGURE 5: WHAT IS YOUR CURRENT HOUSING SITUATION BY AGE GROUPING?
(QUESTION 2; UNDER 18 – 44 YEARS OLD; N=471)**



**FIGURE 6: WHAT IS YOUR CURRENT HOUSING SITUATION BY AGE GROUPING?
(QUESTION 2; UNDER 45 YEARS OLD – 65 AND ABOVE; N=1,651)**





HOUSING ELEMENT

FIGURE 7: DO YOU WORK AND/OR ATTEND SCHOOL IN SANTA CLARA, AND HOW MUCH TIME DO YOU SPEND TRAVELING AND BY WHICH MODE OF TRANSIT? (QUESTION 3; N=722)

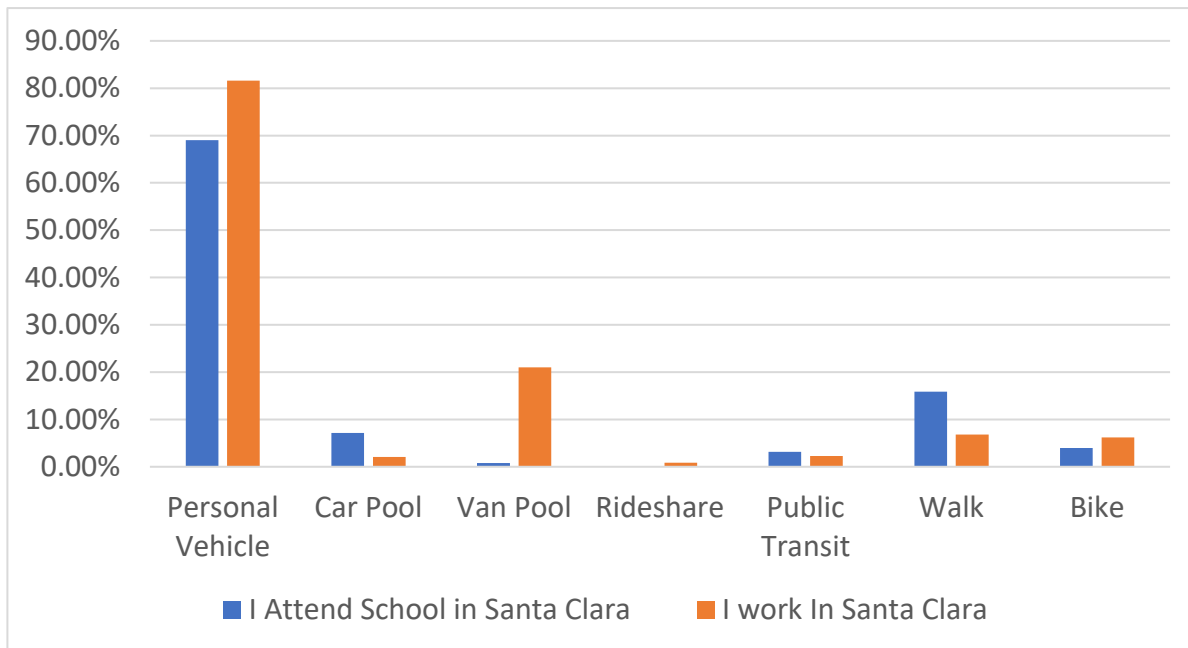
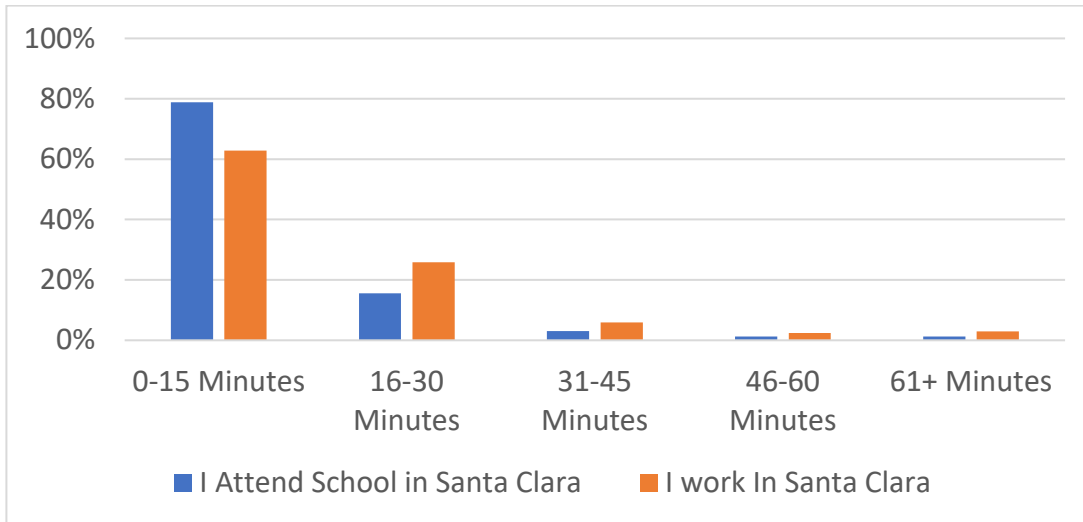


FIGURE 8: WHAT TYPE OF HOUSING DO YOU THINK SANTA CLARA NEEDS MORE OF (PICK YOUR TOP 3 – ENGLISH SURVEY RESULTS)? (QUESTION 4; N=1,474)

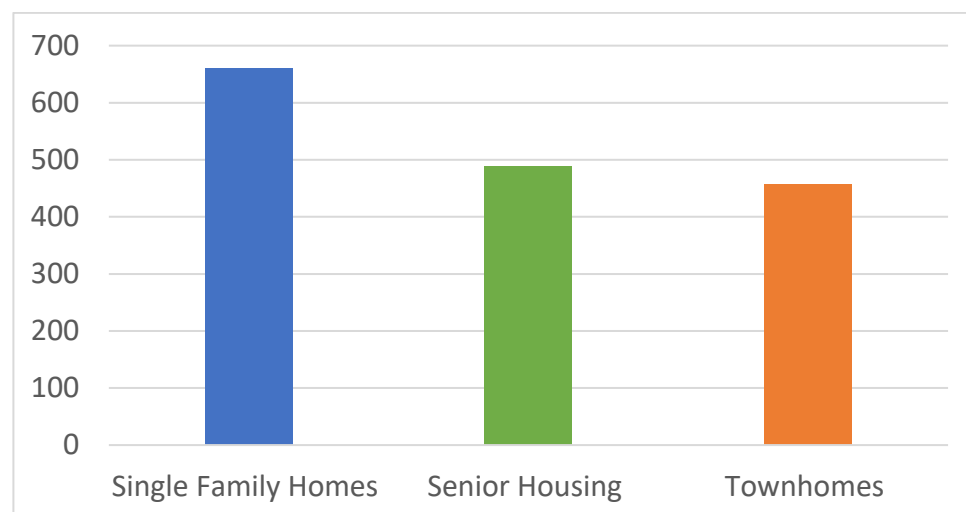
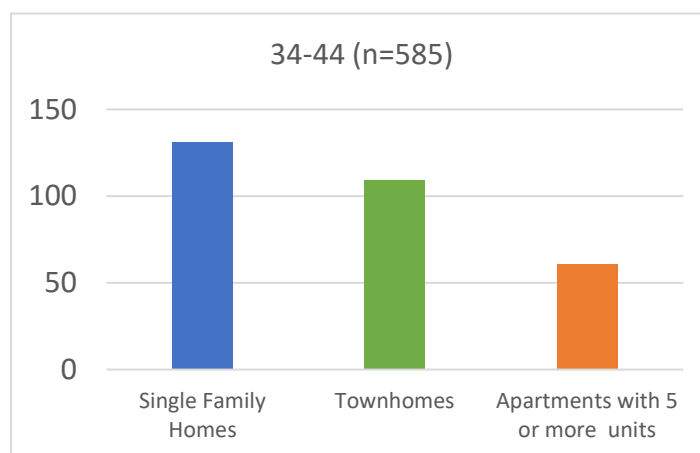
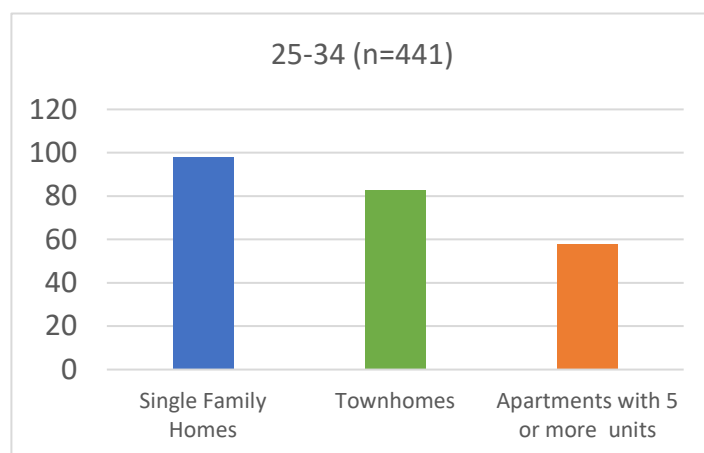
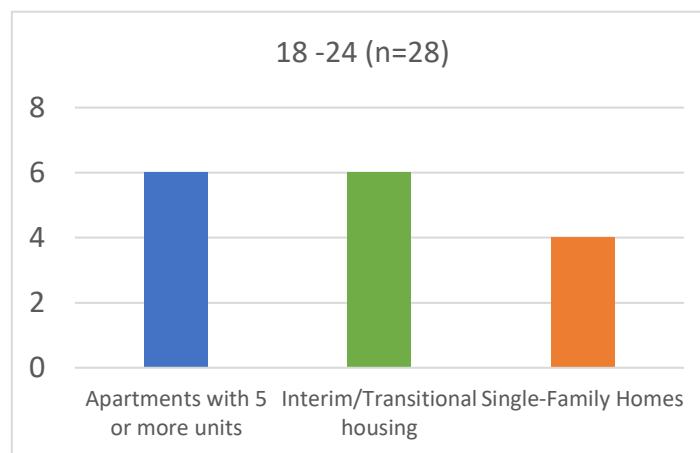
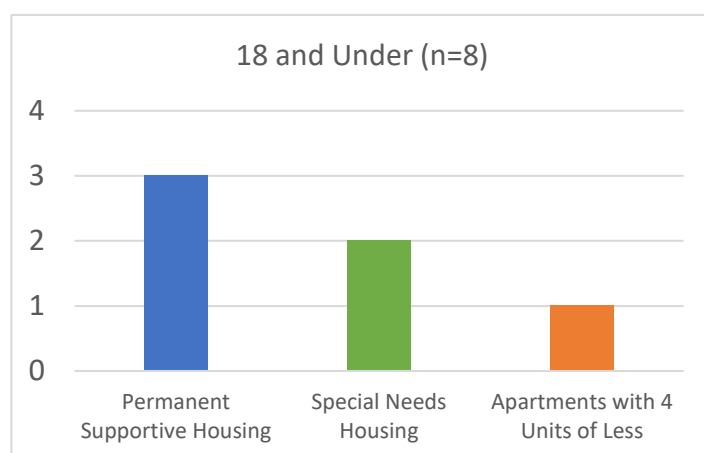


FIGURE 9: WHAT TYPE OF HOUSING DO YOU THINK SANTA CLARA NEEDS MORE OF (PICK YOUR TOP 3 – ENGLISH SURVEY RESULTS BY AGE GROUPINGS)? (QUESTION 4)





HOUSING ELEMENT

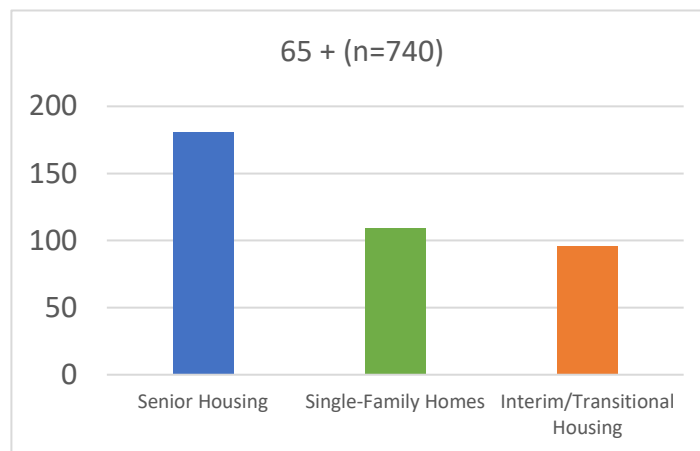
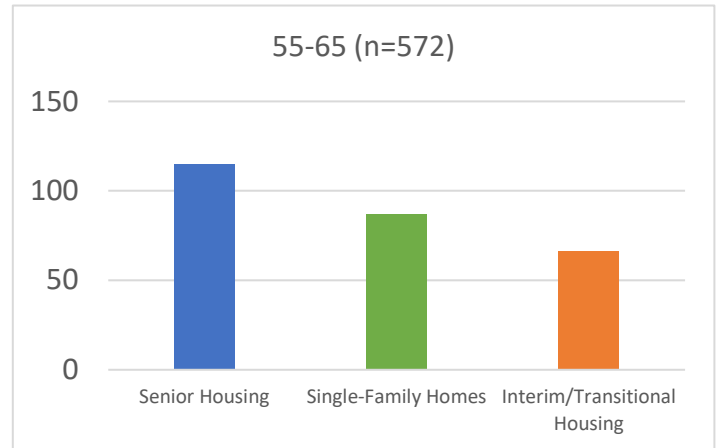
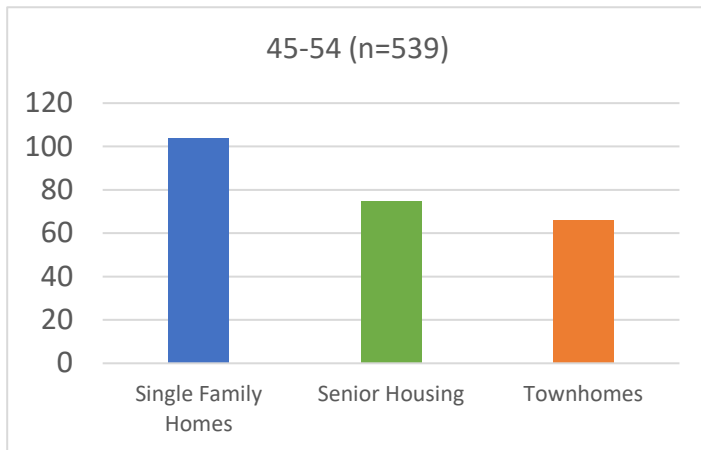


FIGURE 10: WHAT TYPE OF HOUSING DO YOU THINK SANTA CLARA NEEDS MORE OF (PICK YOUR TOP 3 – ALL LANGUAGES SURVEY RESULTS)? (QUESTION 4; N=1,538)

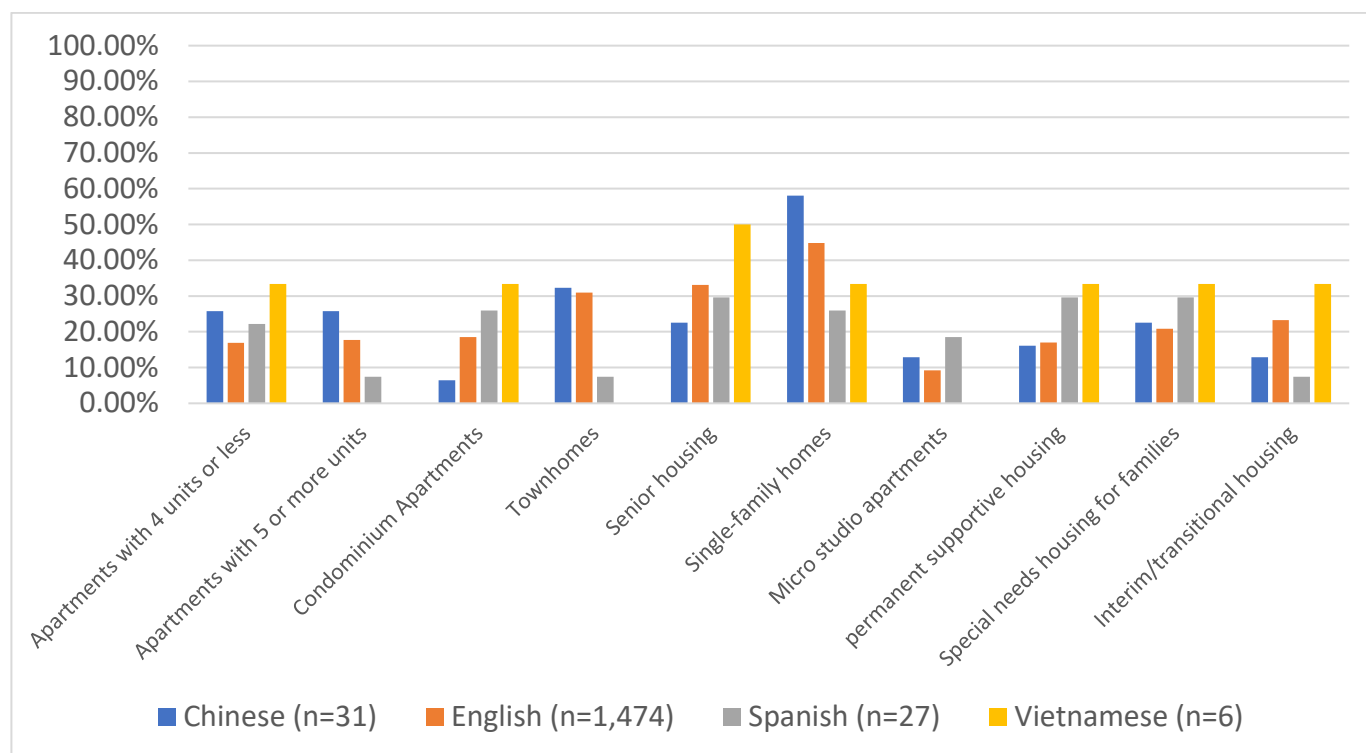


FIGURE 11: MORE HOUSING IS NEEDED FOR (ENGLISH SURVEY RESULTS): (RANK YOUR TOP 3) (QUESTION 5; N=1,452)

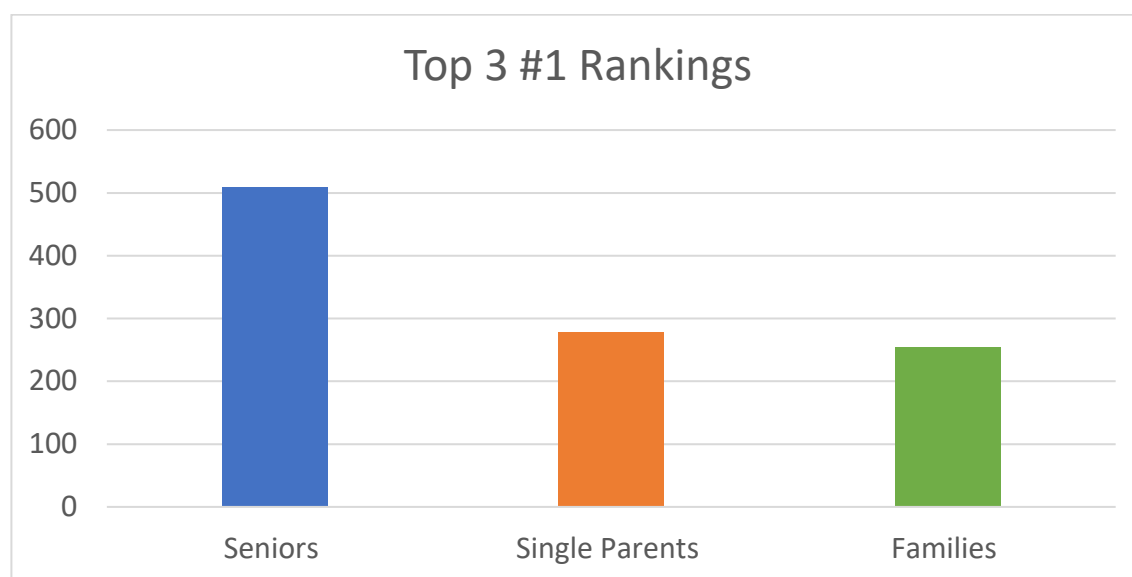




FIGURE 12: MORE HOUSING IS NEEDED FOR (SPANISH SURVEY RESULTS): (RANK YOUR TOP 3) (QUESTION 5; N=29)

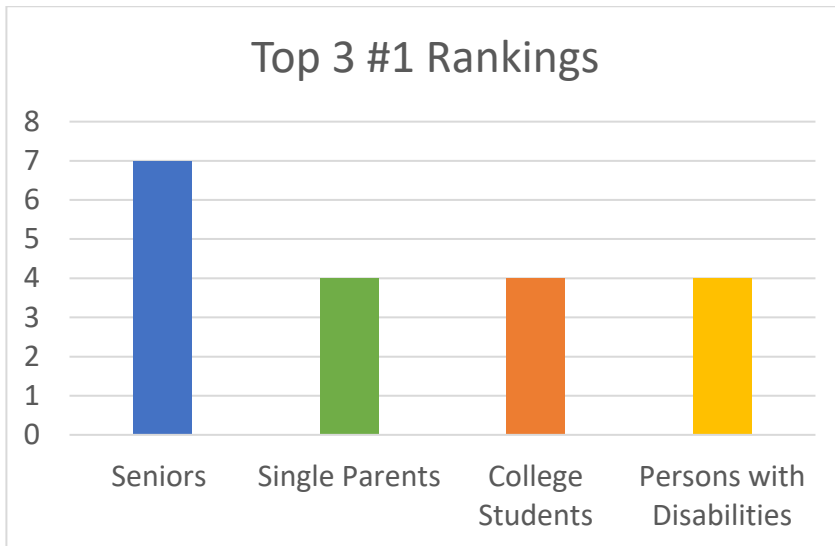


FIGURE 13: MORE HOUSING IS NEEDED FOR (CHINESE SURVEY RESULTS): (RANK YOUR TOP 3) (QUESTION 5; N=31)

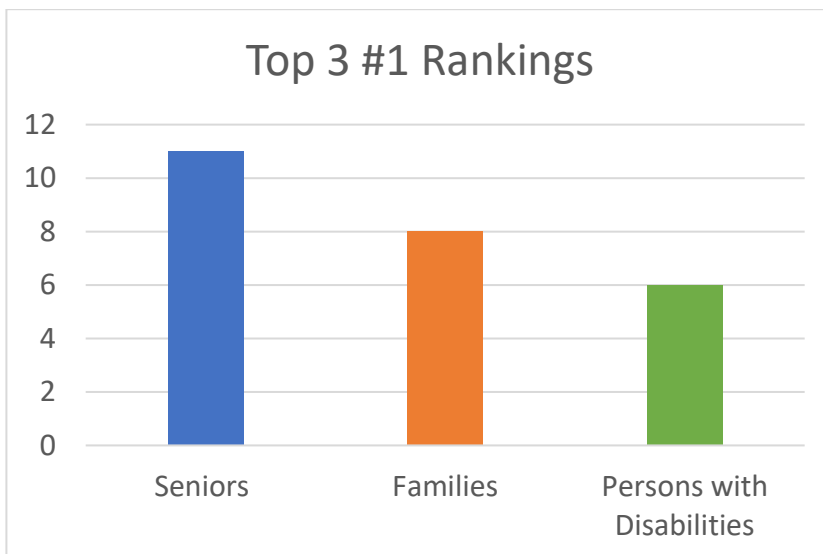


FIGURE 14: MORE HOUSING IS NEEDED FOR (VIETNAMESE SURVEY RESULTS): (RANK YOUR TOP 3) (QUESTION 5; N=6)

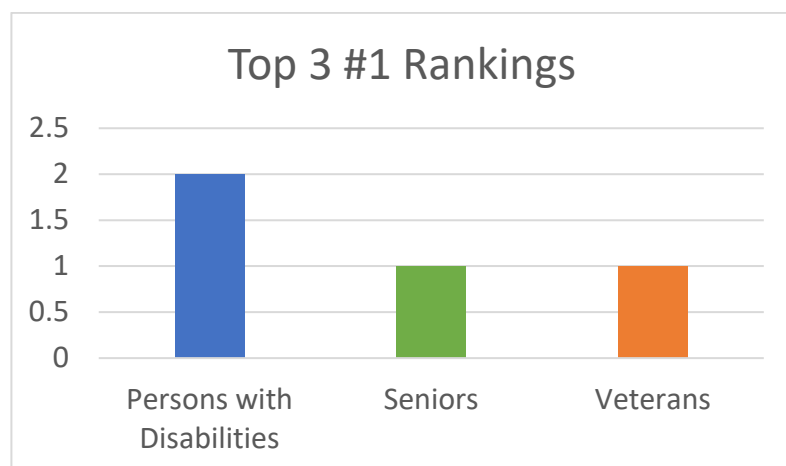
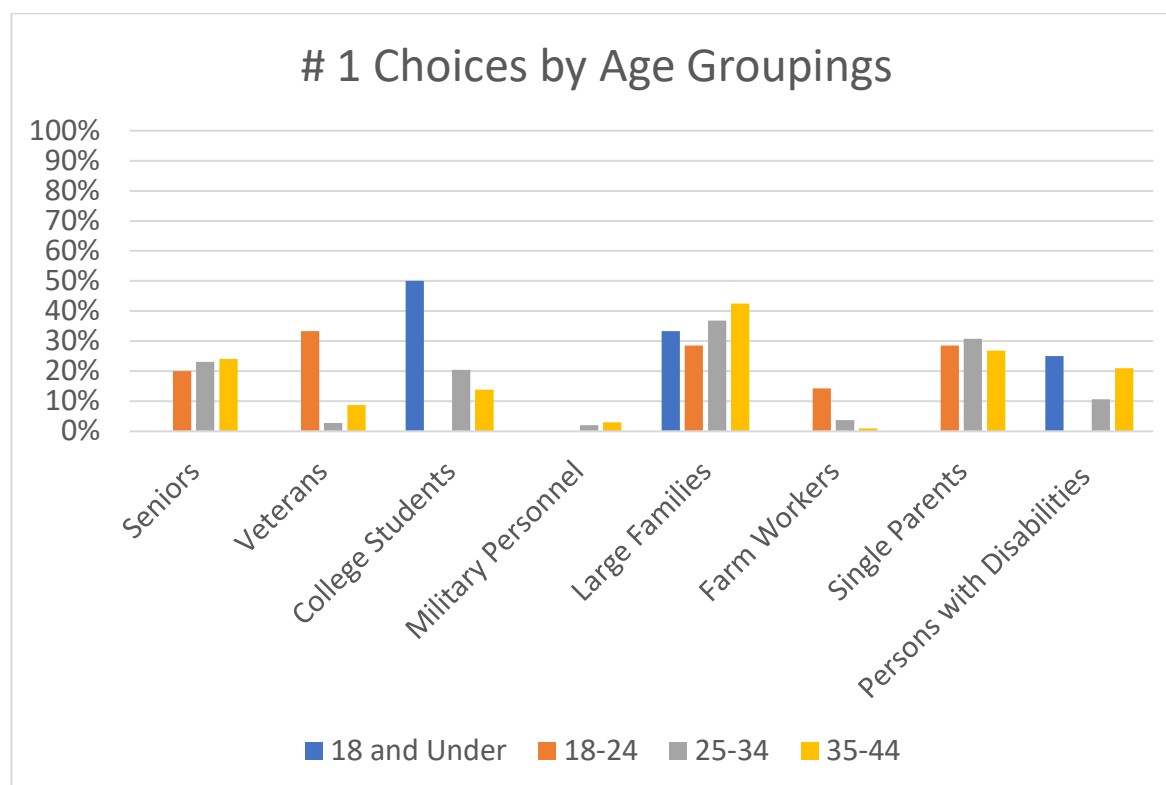


FIGURE 15: MORE HOUSING IS NEEDED FOR (ENGLISH SURVEY RESULTS): (RANK YOUR TOP 3) (QUESTION 5; BY AGE GROUPINGS 18 AND UNDER 44 YEARS OLD; N=784)





HOUSING ELEMENT

FIGURE 16: MORE HOUSING IS NEEDED FOR (ENGLISH SURVEY RESULTS): (RANK YOUR TOP 3) (QUESTION 5; BY AGE GROUPINGS 45 TO 65 AND ABOVE; N=784)

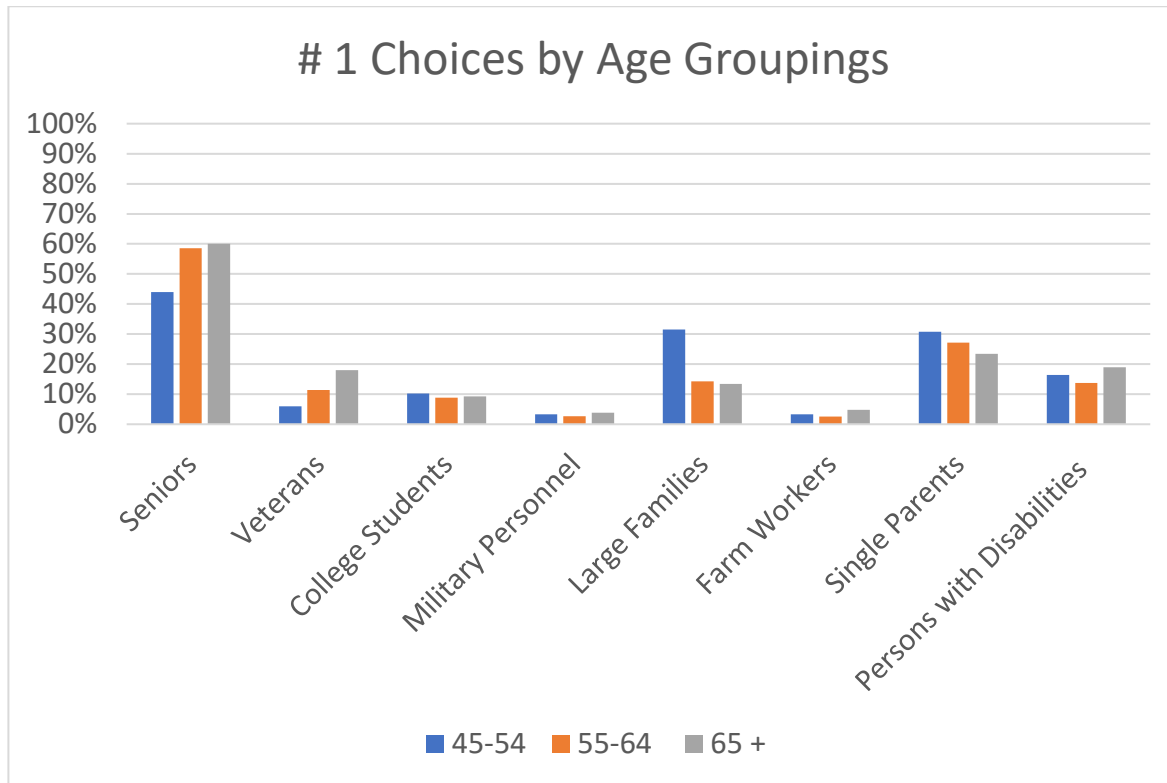


FIGURE 17: PLEASE TELL US HOW IMPORTANT THE FOLLOWING HOUSING ISSUES ARE TO YOU (0 IS UNIMPORTANT, 10 IS VERY IMPORTANT) (QUESTION 6-12)

Average Answers for questions 6-12

6. Ensure that children who grow up in Santa Clara can afford to live in Santa Clara: **8 (N=1,427)**
7. Provide opportunities for people who work in Santa Clara to live in Santa Clara: **8 (N=1,433)**
8. Provide more options for older residents to downsize and stay in the community: **7 (N=1,410)**
9. Streamline the process for new housing construction: **6 (N=1,407)**
10. Provide shelters and transitional housing for homeless families and individuals, along with services that help move people into permanent housing: **6 (N=1,415)**
11. Support programs to help homeowners at risk of mortgage default to keep their homes: **6 (N=1,401)**
12. Establish housing near public transit: **7 (N=1,416)**

FIGURE 18: PLEASE TELL US HOW IMPORTANT THE FOLLOWING PLANNING ISSUES ARE TO YOU (0 IS UNIMPORTANT, 10 IS VERY IMPORTANT) (QUESTION 13-15)

Average Answers for questions 13-17

- 13. Environmental risks (e.g., wetlands, air quality, flood, etc.): 8 (N=1,287)
- 14. Potential traffic and congestion: 8 (N=1,393)
- 15. Preserving community character: 7 (N=1,386)

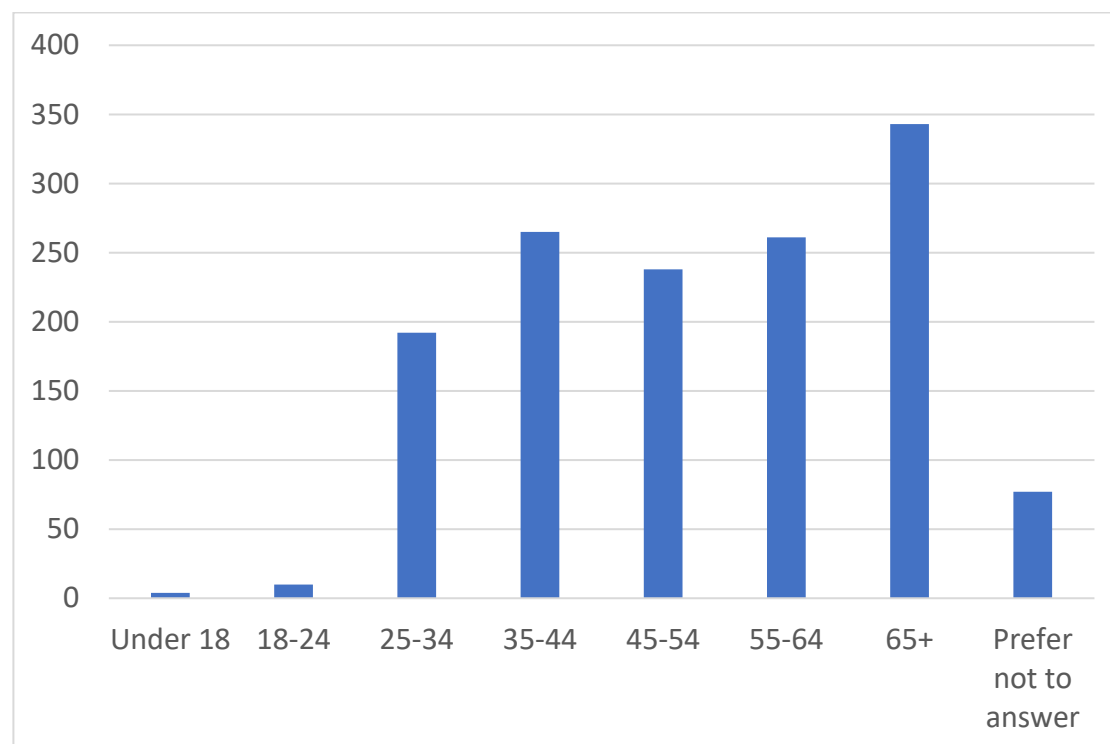
FIGURE 19: ANY OTHER COMMENTS OR ISSUES RELATED TO PLANNING FOR HOUSING IN THE CITY OF SANTA CLARA? (QUESTION 16; N=833)



FIGURE 22: ARE THERE ANY NEIGHBORHOODS IN SANTA CLARA THAT ARE LACKING GOOD ACCESS TO AMENITIES LIKE PARKS, LIBRARIES, GROCERY STORES, SCHOOLS, BIKE LANES, ETC.? (QUESTION 17; CHINESE SURVEY; N=10)



FIGURE 23: HOW OLD ARE YOU? (QUESTION 18; N=1,390)





HOUSING ELEMENT

FIGURE 24: WHAT IS YOUR GENDER? (QUESTION 19; N=1,390)

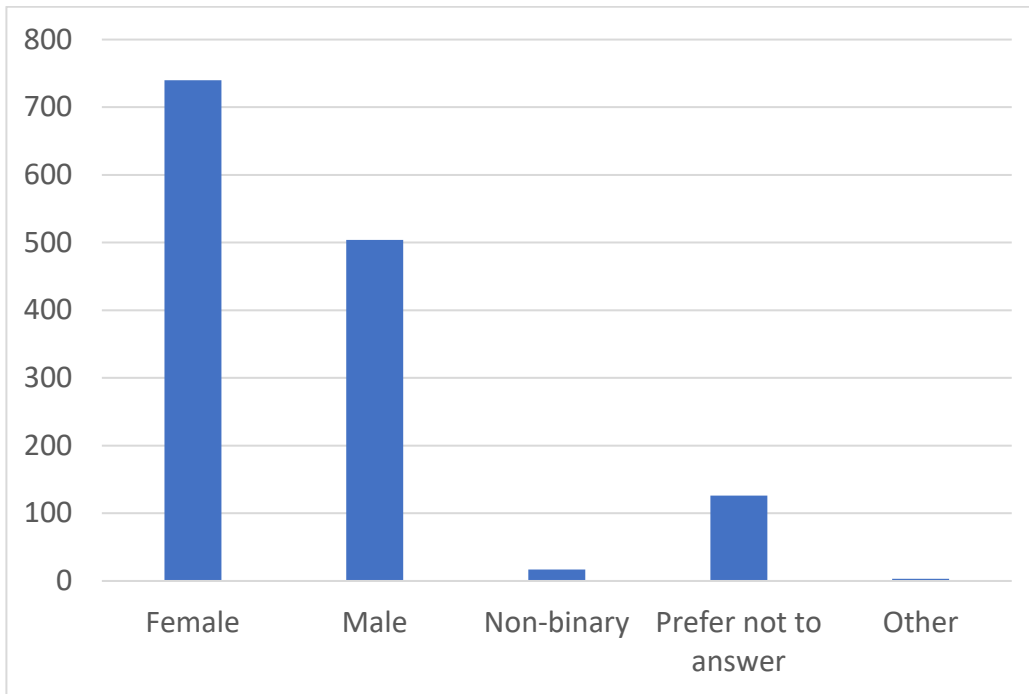
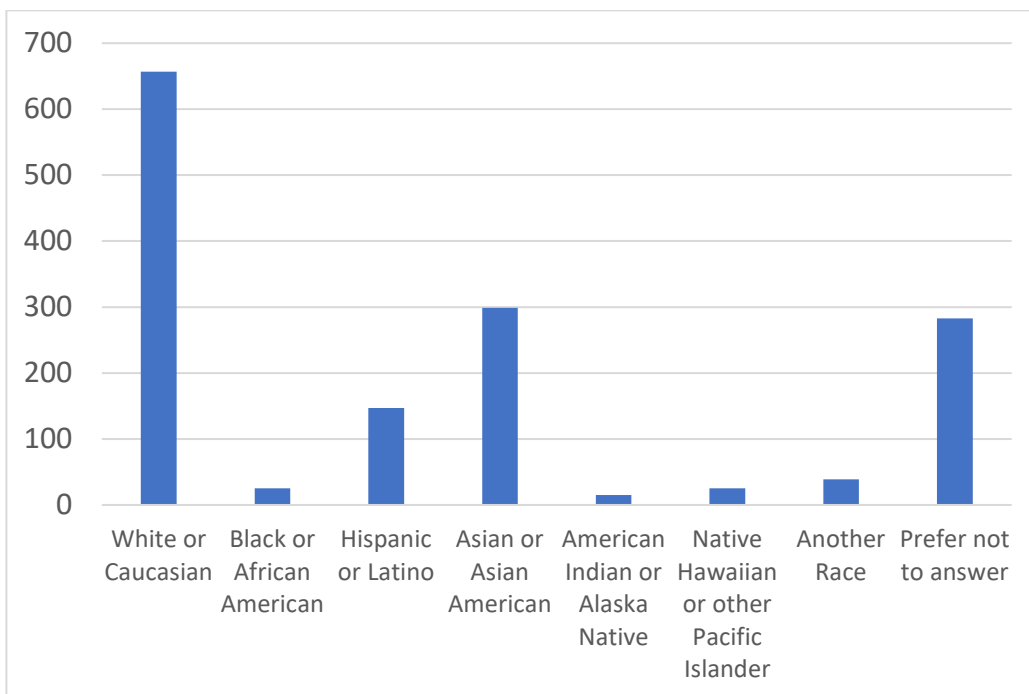
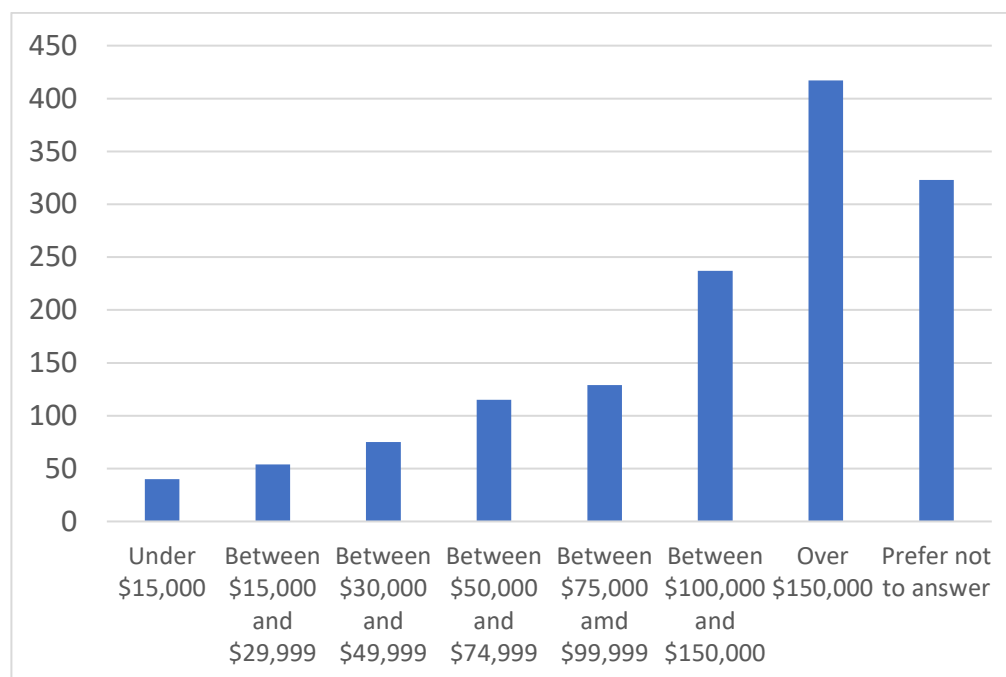


FIGURE 25: HOW DO YOU IDENTIFY YOUR RACE AND ETHNICITY? (QUESTION 20; N=1,390)



**FIGURE 26: WHAT BEST DESCRIBES YOUR ANNUAL HOUSEHOLD INCOME
(QUESTION 21; N=1,390)**



Appendix A-4 Regional Santa Clara County AFFH Related Outreach

In 2019 Santa Clara County and Cities formed a consortium and hired a consultant to develop a regional Assessment of Fair Housing to meet both HUD and HCD requirements. The consortium hired the Lawyer's Committee for Civil Rights to conduct broad outreach, analysis, and to draft plans. The following is a summary of the interviews and meetings that were held throughout Santa Clara County as part of this early process. These meetings provided important regional context for the AFFH analysis in the Housing Element. The table below lists the meetings by category and the dates on which the meetings were held.

FIGURE 1: REGIONAL SANTA CLARA COUNTY AFFH RELATED OUTREACH (FUNDED IN PART BY CITY OF SANTA CLARA)

Regional Assessment of Fair Housing Meetings	
Meetings	Date
Public Community Meetings	
San José Evening Community Meeting	November 13, 2019
City of Santa Clara Community Meeting	November 14, 2019
San José Daytime Community Meeting	November 16, 2019



HOUSING ELEMENT

Urban County Community Meeting	December 11, 2019
Cupertino Meeting (group with other cities/areas)	December 19, 2019
Central County	January 14, 2020
South County	January 15, 2020
Focus Groups	
Formerly Incarcerated Individuals	December 12, 2019
Homeless Individuals and Families	December 12, 2019
Non-Profit Affordable Housing Developers	December 13, 2019
Women	December 13, 2019
Seniors	January 13, 2020
Central County	January 13, 2020
Health Trust for HIV/AIDS	January 14, 2020
Vietnamese Community	January 15, 2020
South County	January 15, 2020
Filipino Community	January 26, 2020
Schools/Educators	January 27, 2020
Seniors	January 29, 2020
Hispanic Community	January 29, 2020
Stakeholder Meetings	
Project Sentinel	October 1, 2019
San José NAACP	October 1, 2019
Asian Law Alliance	October 2, 2019
Law Foundation of Silicon Valley	October 2, 2019
Latinos United for a New America	October 21, 2019
California Apartment Association	October 21, 2019
The Silicon Valley Organization	October 21, 2019
Catalyze SV	October 21, 2019
Santa Clara County Housing Authority	October 21, 2019
International Children Assistance Network	October 21, 2019
Bay Area Legal Aid	October 22, 2019
Housing Trust Silicon Valley	October 22, 2019
Gilroy Compassion Center	October 22, 2019
City of Gilroy	October 22, 2019
Senior Adults Legal Assistance	October 22, 2019
Day Worker Center of Mountain View	October 22, 2019
Santa Clara County Association of Realtors	October 23, 2019
City of Santa Clara	October 23, 2019
City of Sunnyvale	October 23, 2019

Silicon Valley at Home	October 23, 2019
Bay Area Homeowners Network	October 23, 2019
Sunnyvale Community Services	November 12, 2019
SOMOS Mayfair	November 14, 2019
Amigos de Guadalupe	November 15, 2019
West Valley Community Services	November 15, 2019
Habitat for Humanity	December 10, 2019
Working Partnerships USA	December 11, 2019

Because of the breadth of these efforts and the diverse views of the individuals and organizations consulted, it is difficult to distill the information that these meetings yielded down to a few key themes. This summary attempts to, first, identify the range of topics that the meetings addressed and, second, to identify *either* consensus around those topics *or* the primary alternative views expressed.

Key topics addressed in the community engagement process included:

- Unlawful housing discrimination, including but not limited to racial discrimination, failures to provide reasonable accommodations, source of income discrimination, patterns and trends in housing discrimination, and barriers to effective enforcement.
- Demographic and housing data, including but not limited to how community members interpret data provided by the U.S. Department of Housing and Urban Development (HUD) and sources of local data.
- Zoning and land use laws, including but not limited to their impact on affordable housing development and how they interact with community opposition to affordable housing in certain areas.
- Funding and regulatory programs to create affordable housing, including but not limited to how effective they are at producing units, the income levels they reach, and the bedroom distribution of units produced.
- Supportive services programs for persons with disabilities and unhoused residents, including but not limited to how those programs are coordinated with housing programs.
- The connection between access to opportunity and patterns of segregation, including but not limited to with respect to education, employment, transportation, and environmental health.
- Tenant protections and access to legal services, including but not limited to rent stabilization, just cause eviction protections, and funding for tenant representation in eviction cases.

Housing Discrimination

Consistent with national and statewide trends, participants in the community engagement process reported that disability status is the most common alleged basis of discrimination in



HOUSING ELEMENT

complaints submitted to service providers, the California Department of Fair Employment and Housing and HUD. Among disability discrimination complaints, complaints regarding alleged denials of reasonable accommodation requests are the most common. The fact that disability status is the most frequently complained of type of discrimination does not necessarily mean that it is the most common type of discrimination occurring in the community. Because of the nature of the reasonable accommodation process, it may be more apparent to individuals with disabilities that they have been subjected to discrimination. By contrast, fair housing testing may be necessary to uncover national origin and race discrimination, in particular. Testing conducted by stakeholders confirmed that these types of discrimination remain common. Complaints of source of income discrimination also remain common despite the State's relatively recently enacted prohibition on such discrimination against household with Housing Choice Vouchers suggesting either or both inadequate awareness of the new law and/or inadequate enforcement of it.

Demographic and Housing Data

There was broad consensus that housing costs in Santa Clara County are extremely high and have rapidly become more expensive over time. These changes have not affected all communities equally and Hispanic or Latino, Black, and Vietnamese populations, which tend to have lower income levels, being particularly vulnerable to displacement. In light of income disparities among Asian American and Pacific Islander ancestry groups, participants in the community engagement process emphasized the importance of disaggregated data, which tends to show lower income levels among Vietnamese households but also relatively high rates of homeownership.

Zoning and Land Use

Concern about the extent to which zoning and land use laws play a role in fair housing issues varies significantly depending on one's location within Santa Clara County. Additionally, because zoning and land use laws often have consequences across city boundaries, the greatest concerns that community members and stakeholders articulated tended to pertain to different jurisdictions than those where participants lived, provided services, or engaged in advocacy. In particular, many involved in the community engagement process noted concerns about exclusionary zoning in the West Valley. Developer stakeholders, both of affordable and of market rate housing, also noted that long approval timelines were often as significant of a barrier to their efforts as were underlying regulations. They noted understaffing of planning departments as a principal driver of those delays.

Affordable Housing Programs

There was generally consensus around the need to provide more financial support for affordable housing across jurisdictions in Santa Clara County though there were some differences of opinion about how, if at all, to use regulatory tools like inclusionary housing to produce affordable housing. The details of input about affordable housing funding programs varied in relation to the different landscapes of existing programs in each municipality. Some stakeholders noted the high bar to passage for bond issues, including affordable housing bond issues, reflecting that, while the passage of Measure A was a big step forward for Santa Clara County, a similar bond issue in the City of San José had failed despite a large majority of support. Inclusionary housing was a frequent topic of discussion but not a point on which there was consensus. Most participants who discussed inclusionary housing voiced support for the adoption of requirements in more jurisdictions, deeper affordability targeting, and higher set aside requirements. Some participants opposed these types of changes on the basis of stated concerns about deterring new development.

Supportive Services

Participants in the community engagement process noted geographic unevenness in the availability of supportive services for persons with disabilities and unhoused populations, with communities in South County having less access than in North County. There was also criticism of the overall level of services that are available and concern that there were more adequate services available for chronically unhoused individuals with serious mental illness and/or substance abuse disorders but that other vulnerable populations, including disproportionately Hispanic or Latino unhoused families, domestic violence survivors, and medically fragile individuals, have less access to services. For formerly unhoused individuals living in permanent supportive housing, some expressed concern about whether persons with disabilities have true provider choice.

Access to Opportunity

Many stakeholders and residents expressed concern about public transportation in Santa Clara County. Issues raised include the overall level of service, the lack of service in some areas with high performing school in the West Valley, the lack of service in South County, and high fares on CalTrain. Bus riders mentioned long headways on some bus routes as a problem. Participants reflected on the expansion of BART service into Santa Clara County as both an opportunity and an occurrence that could lead to more displacement. With regard to environmental health, the most significant concerns articulated in the community engagement process related to issues in East and North San José. The connection between patterns of segregation and access to proficient



HOUSING ELEMENT

schools was clear in the data analysis conducted for the Assessment of Fair Housing but was not heavily emphasized by participants in the community engagement process.

Tenant Protections

Tenant protections were a frequent topic of discussion albeit one that sharply divided opinion among participants in the community engagement process. Many participants urged robust tenant protections including rent stabilization with as few exemptions as are allowed by state law, just cause eviction protections, constraints on Ellis Act conversions, and requirements that landlords pay relocation expenses for displaced tenants. Other participants, particularly trade associations representing landlords, strongly opposed most or all of these policies. Small “mom and pop” landlords were particularly likely to express opposition to just cause eviction protections and stated more strenuous objections to that policy than they did to rent stabilization. Legal services providers noted that they did not have the resources or capacity to meet the total need for tenant representation in eviction cases absent additional funding. It is important to note that this input was gathered prior to the COVID-19 pandemic, and there was no opportunity to get input on the various government interventions to prevent evictions during the pandemic.

Appendix A-5 Housing Element Specific Outreach

FIGURE 1: HOUSING ELEMENT SPECIFIC OUTREACH

	Housing Element Specific Outreach		
	Meeting/Activity	Date	Meeting Type
1	Stakeholders Meeting re: Affordable Housing Ordinance Potential Amendments	March 12, 2021	Zoom
2	City Council Study Session	April 6, 2021	Zoom
3	Let’s Talk Housing Community Meeting	August 30, 2021	Zoom 25 attendees from Santa Clara
4	Planning Commission Study Session	September 22, 2021	
5	City Council Study Session on Homelessness	November 9, 2021	

6	Joint City Council/Planning Commission Study Session 1	April 19, 2022	
7	Homelessness Taskforce Meeting #1	April 28, 2022	
8	Stakeholder Listening Session: Development Constraints Panel	May 5, 2022	Zoom
9	Community Survey (English, Spanish, Chinese, Vietnamese)	May - July 8, 2022	1,651 responses
10	Health and Wellness Fair	May 20, 2022	• 400 attendees, 50-60 people stopped by booth
11	Homelessness Taskforce Meeting #2	May 26, 2022	Zoom
12	June 2022 City Hall News (monthly e-newsletter)	June 2022	
13	Library Pop-Up Meetings (Central and Northside)	June 14th and 17th, 2022	In Person
14	Inside Santa Clara (summer 2022 edition)	June 18-22, 2022	Mailed to over 58,000 residents and businesses
15	Homelessness Taskforce Meeting #3	June 23, 2022	
16	Joint City Council/Planning Commission Study Session 2	July 12, 2022	
17	Housing Choices – Interview with Kalisha Webster	July 22, 2022	
18	Homelessness Taskforce Meeting #4	July 28, 2022	
19	Community Meeting	August 1, 2022	Zoom
20	Community Meeting Forum on Homelessness	August 9, 2022	Zoom
21	Life Services Alternatives (LSA) – Residential Care Home visit and interview with Dana Hooper and residents	August 12, 2022	In Person
22	Meeting with regional Equity Advisory Group	August 23, 2022	Zoom
23	Homelessness Taskforce Meeting #5	August 25, 2022	



HOUSING ELEMENT

24	40 th Anniversary Art & Wine Festival	September 17-18, 2022	In Person
25	Meeting with Riverwood Grove residents (family housing)	September 19, 2022	In Person
26	Meeting with Bill Wilson Peacock Commons residents (Transition Age Youth)	September 20, 2022	In Person
27	Meeting with Liberty Tower residents (Seniors)	September 22, 2022	In Person
28	Homelessness Taskforce Meeting #6	October 27, 2022	
29	Housing Stakeholders Workshop	November 17, 2022	Zoom

Summaries from Select Meetings/Activities

1. March 12, 2021. Stakeholders meeting (Zoom). Approximately 30 individuals representing numerous development companies and related interests participated in a discussion regarding potential amendments to City's Affordable Housing Ordinance. Economic & Planning Systems, Inc. (EPS), the City's consultant, presented at the beginning of the meeting and shared the housing prototypes being analyzed for feasibility with the current Affordable Housing Ordinance and potential changes that would increase the number or depth of affordability the City could consider. A [summary of stakeholder comments](#) is available on the [Housing Element Update page](#).

3. August 30, 2021. Let's Talk Housing Community Meeting (Zoom). A series of countywide meetings about the Housing Element update were held from August to September 2021. Each meeting offered Spanish-language interpretation and provided community members with an introduction the Housing Element update, why it matters, information on the Let's Talk Housing outreach effort and countywide trends. Breakout room discussions with individual cities and towns followed. In total 832 registered for the series. Of those who registered for the series, the majority identified as White and over half were 50 years or older. Over sixty percent lived over 21 years within the county, and over half were homeowners. Santa Clara was part of the August 30th, 2021 introductory meeting, along with Milpitas, Mountain View, and Sunnyvale. This meeting offered Vietnamese interpretation in addition to Spanish, courtesy of the City of Milpitas, and outreach for the meeting was conducted in the three languages. Twenty-five people who registered for the August 30th meeting identified as joining from Santa Clara. Of the Santa Clara participants, all indicated being homeowners and living in single family homes. In the breakout session, participants expressed that they valued living in Santa Clara due to its tight knit community, its rich history, ample job opportunities, and its mix of older and newer neighborhoods. However, participants pointed out older housing is becoming increasingly unaffordable and the general lack of moderate and affordable housing. Older adults, especially those who are moderate or low income, struggle to find housing and many adult children can't live close to their aging parents. Among ideas to address these

needs were: transit-oriented development, increasing allowable densities, and developing an affordable housing program for seniors. Among programs or policies that are already working well, participants shared that specific plans have been an effective tool for development and the El Camino Real Specific Plan in particular is a good example of extensive and comprehensive community outreach.

8. May 5, 2022. Stakeholder Listening Session: Development Constraints (Zoom). The presentation and summary from this meeting is available on the [Santa Clara County Planning Collaborative page](#) and on the [Housing Element Update page](#).

14. June 18-22, 2022. Inside Santa Clara (summer 2022 edition). Full page article on the Housing Element Update. Printed newsletter sent to over 58,000 residents and businesses.

19. August 1, 2022. Community Meeting (Zoom). Community meeting with a presentation on the Housing Plan of the draft Housing Element Update; comments were made regarding tenant protections, housing for persons with disabilities, and increased housing type and tenure. There twelve (12) members of the community that attended representing individuals and advocacy organizations.

22. August 23, 2022. Regional Equity Advisory Group (EAG) Meeting (Zoom). Provided City with general feedback on how to improve engagement with stakeholders and community members. Suggested more direct outreach and importance of going to specific locations to reach targeted populations. Specific comments about locating housing in high/highest opportunity areas of the City and that ELI households experience the highest rates of housing cost burden, making them at the highest risk of homelessness or displacement.

24. September 17-18, 2022. 40th Annual Art & Wine Festival (In-person). 152 attendees participated in a dot exercise to identify what they felt were the biggest challenges/greatest needs facing the City of Santa Clara. Participants were provided different colored dots if they identified as a City of Santa Clara homeowner (111), City of Santa Clara renter (24), if they work (but don't live) in the City of Santa Clara (4), or if they don't live or work in the City of Santa Clara (13). From a list of 13 biggest challenges/greatest needs, the most votes were placed on 1. Addressing homelessness: programs, temporary housing/permanent supportive housing; 2. Housing that is affordable to low/minimum wage earners (e.g., service/retail workers); 3. Providing more homeownership opportunities; and 4. Stabilizing rents (limit large rent increases and large deposit requirements).

Although Santa Clara homeowners and renters identified the same top four biggest challenges/greatest needs, the order was different. For homeowners addressing homelessness received the most votes and stabilizing rents received the fourth most votes. For renters stabilizing rents received the most votes and addressing homelessness received the fourth most votes.

Homeowners: 1. Addressing homelessness; 2. Housing that is affordable to low/minimum wage earners; 3. Providing more homeownership opportunities; 4. Stabilizing rents



HOUSING ELEMENT

Renters: 1. Stabilizing rents; 2. Housing that is affordable to low/minimum wage earners; 3. Providing more homeownership opportunities; 4. Addressing homelessness.

24, 25, 26. September 19, 2022. Riverwood Grove (family housing) Residents Meeting (In-person with 16 adults, 5 children); September 20, 2022. Bill Wilson Peacock Commons (transition age youth) Residents Meeting (In-person with 10 adults, 5 children); September 22, 2022. Liberty Tower (senior housing) Residents Meeting (In-person with 8 adults, 2 staff). Residents of the three housing developments were asked a series of questions, including about their personal experiences/challenges finding and living in affordable/supportive housing, and what they would like to see in terms of priorities for making their housing experience better. In addition to noting specific resources needs and concerns about traffic and safety, residents consistently noted the challenges of barriers to entry (affordability and wait/availability of units).

27. November 17, 2022. Stakeholders Workshop (Zoom). Zoom meeting that reviewed the Housing Element development process using a Mural Board. The meeting was primarily attended by housing and human service providers and advocacy organizations. Attendees mentioned the need for more emergency rental assistance, that state relocation assistance is inadequate, that ELI seniors in income restricted housing are increasingly rent burdened and at risk of homelessness, that seniors need in-person housing navigation assistance that homelessness prevention is less costly than crisis response, that city and county government should work on providing holistic housing services, the need for more social workers and case managers to help clients navigate programs, the need to financially support service providers so they can retain staff, the need to bring air conditioning and filters into affordable housing in response to heat and wildfire smoke climate change, and the need to proactively reach out to Latino/a, Vietnamese, and Filipino/a populations who are disproportionately in need of affordable housing.

Appendix A-6 Public Review Draft Comments

The City of Santa Clara asked for the public's comments on the Housing Element Update. The document to post public comments can be found here: <https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=87#page=18>. Below is a summary of the received comments.

FIGURE 1: HOUSING ELEMENT DRAFT PUBLIC COMMENTS

Date	Name	Comment	Comment Page	Sentiment	Comment link	Response
7/1/2022	Katherine Lanning	I love Santa Clara and would love to volunteer my time helping others in this beautiful city. The Housing Element isn't the place where the city talks about "exploring changes." The Housing Element is where the city talks about the result of the explorations that have already happened, and explains what the changes are and when exactly they will be accomplished.	18	Positive	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=87#page=18	
7/30/2022	Anne Paulson	What changes will you make, and when will they be made? These exceedingly weak explorations do nothing to achieve B-1 (look for sites for affordable housing), B-2 (encourage high density housing), or B-3 (look for funding for affordable housing). They don't do anything for the C goals either, which are about housing for people with special circumstances (disability, female-headed, large family).	22	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=98#page=22	
7/30/2022	Anne Paulson	My suggestion is that you write objectives that would actually achieve your goals, and give time deadlines for them.	22	Negative	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=99#page=22	



HOUSING ELEMENT

7/12/2022	Jennifer	Where is Action #4? I see responsible agency and objectives, but no Action listed or Funding Source.	24	Negative	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=90#page=24
7/30/2022	Anne Paulson	How will you improve the maintenance of student housing, and when?	26	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=100#page=26
7/30/2022	Anne Paulson	When?	26	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=101#page=26
7/30/2022	Anne Paulson	When? Yes, I would really like to see more upzoning/high density development while being conscious of existing transportation, or improving/adding more transportation to support new developments such that they reduce reliance on cars.	26	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=102#page=26
7/29/2022	Nick Leung	cars.	27	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=91#page=27
7/30/2022	Anne Paulson	How?	28	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=103#page=28
7/30/2022	Anne Paulson	How?	28	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=104#page=28

7/30/2022	Anne Paulson	What is the action here? I don't see any action.	33	Negative	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=105#page=33
7/29/2022	Nick Leung	If El Camino becomes densified, I'd like to see dedicated BRT. We should lower the requirements for parking. Parking is poor land use (especially surface parking) which encourages more cars, which is bad for traffic and many reasons. In this area, so much land is already dedicated to cars (4+4 lane expressways, highways, garages, driveways, parking, etc.). We can increase the transportation connectivity and serve lower income residents better by lessening the emphasis on car-driven development.	77	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=92#page=77
7/29/2022	Nick Leung	How can you say with a straight face that development standards aren't a constraint on building, when you require two parking spaces for a studio apartment? You're requiring more space for the cars than for the people.	117	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=93#page=117
7/30/2022	Anne Paulson	An SRO is not employee housing; it's rooms with or without kitchens that are rented separately. Why is the title SRO Housing, when the text doesn't talk about SRO housing?	118	Negative	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=96#page=118
7/30/2022	Anne Paulson	The Housing Element	120	Negative	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=97#page=120



HOUSING ELEMENT

needs to explain how Santa Clara allows Single Room Occupancy housing.

I think this is unfortunate, but it's obvious that this community opposition to densification has created disastrous effects for housing affordability for everyone.

We can fight a lot of this community resistance with transit oriented and mixed use development, though I expect the community will find other ways to oppose it.

7/29/2022 Nick Leung

We should still try. (Page 13.5-23) The Housing Element says that it will do a fee analysis of the four prototypical buildings. And then, it just doesn't. I'd like to know how much the 100 unit building would pay in fees, and I assumed that's what the analysis was going to give me, but it doesn't. Elsewhere in the document (p 13.5-13) it says that a large multifamily project pays \$2156 per unit, but that doesn't look accurate, with all those big permit fees.

132

Negative

<https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=94#page=132>

The document needs to tell us what the fees are for these typical buildings.

7/30/2022 Anne Paulson

134

Negative

<https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=95#page=134>

7/30/2022	Anne Paulson	Sares Regis, 800 units???? Sares Regis is a building company, not an address or an identifier for a project. What project is this?	145	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=106#page=145
7/31/2022	Anne Paulson	Typo This has to be 34 REMAINING parcels. Otherwise the numbers don't add up: half the parcels are already built, 11 are approved or proposed, the remaining 17 are listed for below market housing in the table below.	149	Positive	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=107#page=149
7/31/2022	Anne Paulson	"Full buildout of the area will likely occur by 2038." So the capacity listed in 13.6-7 should be discounted by 50%, since since buildout will occur throughout the Sixth and Seventh RHNA cycles.	158	Negative	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=108#page=158
7/31/2022	Anne Paulson		158	Neutral	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=109#page=158
7/1/2022	Katherine Lanning	I have great experience in developing business and marketing	173	Positive	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=89#page=173
7/1/2022	Katherine Lanning	I would love to volunteer my time to make this city a beautiful one with parks, museums and individual gardens	189	Positive	https://santaclaraca.konveio.com/city-santa-clara-housing-element-update?cid=88#page=189



HOUSING ELEMENT

Thanks for taking the time to visit the LSA Cypress home. Cypress is a licensed residential care home.

As I mentioned I had a chance to review chapter 13.2 Housing Plan and have some comments I'd like to share.

My general comment is that otherwise eligible individuals should not be excluded because they choose to or are already living in a licensed residential care home. These individuals need the support just as much as there counterpart.

Here are some additional comments to specific section in the Housing Plan.

Action 1: The 4th objective – Support low-income housing alternatives such as housing for persons with disabilities should be expanded specifically to include licensed residential care homes.

Action 3: Affordable Housing Incentives and Facilitation. The construction of affordable housing should also include residential care homes as a type of facility and funding to at least the same level per person as multiunit projects.

Action 4: Maintenance of Housing Stock should include residential care homes in the definition of who is qualified to receive maintenance.

8/16/2022	Dana Hooper	n/a	n/a
-----------	-------------	-----	-----



Appendix A-7 Formal Comment Letters

FIGURE 1: HOUSING ELEMENT DRAFT – PUBLIC FORMAL LETTER COMMENTS

Date	Organization	From	Comment(s)
7/27/2022	TransForm	Kendra Ma, Housing Policy Analyst	<p>1. Santa Clara needs to expand on its successful programs and initiate new ones, including: 1) Planning for growth in walkable areas near transit, 2) Reducing the amount of parking mandated for housing and providing incentives and programs to drive less (Transportation Demand Management), 3) Developing sufficient programs to meet affordable home targets of RHNA</p> <p>2. Action 9 - revising zoning standards and potentially reducing/eliminating parking: lacks commitment to specific changes, such as what parking strategies the city will pursue. TransForm's recommendations:</p> <ul style="list-style-type: none">a) Fund a dedicated study of parking reformsb) Require unbundled parking for developments in "Transit Neighborhoods"c) Expand the Transportation Demand Management program <p>3. TransForm applauds policy C-1: cost-effective complement to strategies focused on housing production</p>
7/1/2022	SV@Home	Matthew Reed, Policy Director	<p>1. Concern over the lack of understanding and attention to the broader Housing Element requirements under Affirmatively Further Fair Housing (AFFH) in this Housing Element Update process. Santa Clara should consider the work and policy efforts conducted in Palo Alto to build upon and further the community's anti-displacement goals by addressing housing instability. See letter for specific recommendations.</p>
7/15/2022	Housing Choices		<p>-The City of Santa Clara needs to adopt more programs and policies related to affordable housing with coordinated services for persons living with developmental disabilities, examples include:</p> <ul style="list-style-type: none">a) Integration in typical affordable housingb) Coordination of housing with onsite supportive servicesc) A mix of unit sizesd) Location near public transitc) Deeply affordable housing <p>-Population of adults living with developmental disabilities continues to increase in Santa Clara while beds available in licensed facilities are decreasing</p> <p>-Policy/Programming recommendations include:</p> <ul style="list-style-type: none">1. Produce more extremely low-income housing2. Establish and monitor a quantitative goal3. Target city-owned land to dedicate to affordable housing4. Local density bonus5. Extremely low-income ADUs6. Reduce parking requirements7. Affirmative marketing of physically accessible units



HOUSING ELEMENT

8/8/2022 [SV@Home](#)

Matthew Reed,
Policy Director

- The City of Santa Clara's Draft 6th Cycle Housing Element falls short of the statutory requirement at multiple levels, from its failure to elicit and reflect community input, to its deficient analysis of needs, to its absence of concrete programs with implementation details and timelines
- The sites inventory falls significantly short of the AFFH requirements for this process
- 6th Cycle Housing Element Update is a unique process to fully assess the breadth of housing needs in Santa Clara and identify new tools to address housing constraints and needs
- Opportunity to engage with the full community across incomes
- SV@Home does not find that the Draft Housing Element Update shows evidence of the significant public engagement and community participation required to be compliant with guidance provided by the state
- Lack of sufficient outreach and notification to public/community
- The Housing Element does not a) provide a summary of public comments and b) explain how the comments were considered and incorporated, including comments that were not incorporated.
- The Housing Needs Assessment does not incorporate local knowledge or analysis.
- SV@Home recommends that the City of Santa Clara conduct additional outreach and analysis of the housing needs data in the draft with the goal of better understanding the housing needs of the city as they are experienced by residents of the city
- SV@Home recommends that the assessment of the 5th Cycle Policies and Programs be incorporated into the more comprehensive assessment of housing needs, including concrete opportunities for public engagement around the lessons learned from these prior efforts.
- Lack of connection between needs and solutions in the draft
- SV@Home believes the lack of detail in the policies and programs included in the draft will not prove to be compliant.
- SV@Home believes there is a general failure to substantively address housing instability and displacement experienced by protected classes under AFFH in Santa Clara.
- SV@Home recommends that the City of Santa Clara confirm and remove any sites from the inventory that received building permits prior to June 30, 2022, whether listed as "Under Construction" or "Approved".

8/16/2022 Life Services
Alternatives

Dana Hooper,
Executive Director

General Comment: Otherwise eligible individuals should not be excluded because they choose to or are already living in a licensed residential care home. These individuals need the support just as much as their counterpart.

Action 1: The 4th objective – Support low-income housing alternatives such as housing for persons with disabilities should be expanded specifically to include licensed residential care homes.

Action 3: Affordable Housing Incentives and Facilitation. The construction of affordable housing should also include residential care homes as a type of facility and funding to at least the same level per person as multiunit projects.

Action 4: Maintenance of Housing Stock should include residential care homes in the definition of who is qualified to receive maintenance.

8/1/2022

Anne Paulson

-The Local Processing Explanation Is Confusing and Lacks Necessary Information

-Recommendations:

- For each typical type of building (ADU, single family house, 10 unit multifamily, 100 unit multifamily, big project that requires rezoning), list each step the applicant must go through, in order, with the time it takes, the number of public meetings it requires, the approval body or bodies, and how much it costs

- Make the fees table comprehensible

'-Lack of clarity in the Local Processing Explanation Is Confusing and Lacks Necessary Information

-Recommendations:

- Be more specific about the stage of approval each project is in.
- Discount pipeline project and site inventory capacity for the probability that the project doesn't get built'

-What the Housing Element needs to do is

explain how this capacity is going to be used to build the RHNA in the next eight years. The document needs to be far more clear and explicit about the entire process—the steps, how long the process takes, how much the fees are, what the project mortality is—and where each listed project is along the way

- Santa Clara is nowhere close to building below market units at a rate that would satisfy its Sixth Cycle below market RHNA. So it would make sense for the Housing Element to include programs, with deadlines and milestones, to build more affordable housing.

- The City Needs to Commit to Actual Measurable Actions and Deadlines

-To further encourage all-affordable projects, the city should also

- make all-affordable housing projects buildable by right, with ministerial approval
- remove parking minimums for all-affordable projects
- reduce fees for all-affordable projects

If the city cannot take these actions now for whatever reason, it should identify the reason and commit to taking the action by a certain date within the planning period.



FIGURE 2: FORMAL COMMENT LETTER: TRANSFORM



July 27, 2022

John Davidson, Principal Planner
1500 Waterburton Avenue
Santa Clara, CA 95050

Re: Santa Clara needs transformative parking measures to eliminate development constraints

Dear Mr. Davidson and City Councilmembers,

TransForm is a regional non-profit focused on creating connected and healthy communities that can meet climate goals, reduce traffic, and include housing affordable for everyone.

We applaud Santa Clara's work to date on the Draft Housing Element. However, to meet housing, transportation, and climate goals, Santa Clara needs to expand on its successful programs and initiate some new ones.

In particular, there will need to be an effective mix of:

- Planning for growth in walkable areas near transit
- Reducing the amount of parking mandated for housing and providing incentives and programs to drive less (Transportation Demand Management or TDM)
- Developing sufficient programs to meet affordable home targets of RHNA

We appreciate the consideration of parking as a massive constraint on development in Santa Clara in the Housing Element, especially related to meeting RHNA requirements. Santa Clara currently requires 1 or more spaces per unit in almost all zoning districts, and without any commitment to further reducing required parking, we see a disconnect between understanding parking as a constraint and taking additional action.

We are grateful for Santa Clara's inclusion of Action 9 which aims to revise zoning standards and potentially reduce/eliminate parking minimums. However we worry this action lacks a commitment to specific changes, such as what parking strategies the city may pursue. The need to eliminate or greatly reduce parking minimums is more important than ever. **Each new parking space costs \$30,000-\$80,000.**¹ With inflation driving up construction costs since these

¹
<https://www.showpdogg.com/wp-content/uploads/sites/10/2016/05/Cutting-the-Cost-of-Parking-Requirements.pdf>
560 14TH STREET, SUITE 400, OAKLAND, CA 94612 | T: 510.740.3150 | WWW.TRANSFORMCA.ORG

estimates, two spaces may now cost up to \$200,000. Beyond construction costs, parking takes up essential space that could provide more homes, services, or community amenities.

TransForm recommends that Santa Clara consider the following policies in the Housing Element:

1. Funding a dedicated study of parking reforms, particularly how smart parking policies could positively impact housing, transportation, and other goals.
2. Requiring unbundled parking for certain developments in "Transit Neighborhoods" across various zones; this is easier for building managers to implement now with new parking tech tools like [Parkade](#).
3. Expanding the Transportation Demand Management program by requiring provision of transit pass memberships for each resident.

To show the tremendous transportation and climate benefits of these policies, as well as some of the financial savings for residents and reduced costs for development, we have used our GreenTRIP Connect tool to [create scenarios](#) for a potential future development site at 2203-2215 Tasman Drive. This site is identified in Santa Clara's draft Housing Element Site Inventory as a "Transit Neighborhood" and part of the Tasman East Specific Plan. The California Office of Planning and Research recommends GreenTRIP Connect as a tool to use while developing General Plans and is especially useful during the development of Housing Elements (the tool is free to use and supports better planning at the site and city-wide level).

At 2203 - 2215 Tasman Drive, GreenTRIP Connect projects the following benefits from implementing smart parking, transportation, and affordability strategies:

1. Implementing unbundling and providing transit passes at this site led to a 29% decrease in parking and resident transportation savings of \$4,464 per year.
2. With right-sized parking, incorporating the benefits of good location, unbundled parking and free transit passes, the development would cost \$2,509,500 less to build relative to current parking standards.
3. When combined with 100% affordable housing, these strategies resulted in an incredible 52% reduction in driving and greenhouse gas emissions for the site, compared to the city average.
4. If an affordable development with smart parking strategies were built on this site each household would drive 5,373 less miles per year, creating a greener and safer community.

By eliminating the high costs of parking, homes can be offered at more affordable prices, reducing the number of community members that face extreme housing cost burdens, getting priced out of their community, and/or becoming unsheltered. Residents, new and old alike, will greatly benefit from the reduction in vehicle traffic and associated air pollution (see the scenarios [here](#)).



HOUSING ELEMENT

In addition to parking and transportation strategies, we applaud some of the proposed strategies to support more affordable homes, since these would have such tremendous benefits as noted in the GreenTRIP scenario. One of the most important is Policy C-1 which prioritizes collaborating with services agencies and housing developers to use grants towards more special needs and affordable housing. These programs are a cost-effective complement to strategies focused on housing production.

The GreenTRIP scenarios and the chart on the final page of our Scenario document also show the imperative of programs to accelerate development of affordable homes, like Policy C-1. Not only do these households use transit more and drive much less than average, but success in this area can help provide homes for unsheltered individuals and families. A commitment to these programs will show that Santa Clara is committed to planning for all levels of the 6,506 RHNA BMR units anticipated in this cycle.

Please let me know if you have any questions. TransForm hopes this information explains why Santa Clara should make parking reform a priority in the Housing Element update.

Sincerely,
Kendra Ma
Housing Policy Analyst
kendrama@transformca.org

FIGURE 3: FORMAL COMMENT LETTER: SILICON VALLEY AT HOME

Board of Directors

Kevin Zywick, Chair
United Way Bay Area

Gina Dalma, Vice Chair
Silicon Valley Community Foundation

Candice Gonzalez, Secretary
Sand Hill Property Company

Andrea Osgood, Treasurer
Eden Housing

Shiloh Ballard
Silicon Valley Bicycle Coalition

Bobi Brownstein
Working Partnerships USA

Amie Fishman
High-Profit Housing Association of Northern CA

Ron Gonzales
Hispanic Foundation of Silicon Valley

Javier Gonzalez
Google

Poncho Guevara
Sacred Heart Community Service

Jamie Jensen
Habitat for Humanity East Bay/Silicon Valley

Janikae Klem

Ian Undenthal
MidPen Housing

Jennifer Loving
Destination: Home

Mary Murtagh
EAH Housing

Chris Neale
The Core Companies

Kelly Snider
Kelly Snider Consulting

Jennifer Van Every
The Van Every Group

STAFF

Leslye Corsiglia
Executive Director



July 1, 2022

Submitted via email

Mayor Gillmor and Councilmembers
City of Santa Clara
 1500 Warburton Avenue
 Santa Clara, CA 95050

Dear Mayor Gillmor, Vice Mayor Jain, and Councilmembers Watanabe, Chahal, Hardy, Park and Becker:

RE: Housing Element – Anti-displacement policies to Affirmatively Further Fair Housing

For much of the Housing Element Update process, the focus has been on the scale of the Regional Housing Needs Allocation (RHNA) and the planning process of identifying potential housing opportunity sites to meet these requirements. What we have observed through this process is that there is relatively less understanding and attention to the broader Housing Element requirements under Affirmatively Further Fair Housing (AFFH).

Through state law, AFFH not only requires that the city plan and implement policies that give low-income families the opportunity to live in high resource and affluent areas, but also to adopt policies that address disproportionate housing needs, including displacement risks, of protected classes. In every jurisdiction in the County lower-income renters - disproportionately working families of color, and people on fixed incomes including seniors and people with disabilities - struggle with housing instability due to extreme rent burden and/or overcrowding. In nearly all jurisdictions the impact of displacement can be tracked through changing demographics over time.

The California Department of Housing and Community Development (HCD) issued [guidelines and examples of policies to Affirmatively Further Fair Housing](#). We know that many jurisdictions throughout the County have been looking at policy options to respond to these requirements. Over the last 36 months the City of Palo Alto, in partnership with SV@Home, explored and adopted a number of creative policies designed to protect renters and stabilize families and communities. While the research and policy making process in Palo Alto was pretty extensive, we believe that the Assessment of Fair Housing, and the targeted outreach through the needs assessment, and program/policy development process, likely provide evidence that tenant protections policies are needed, where few policies existed before.

When the policy process began in Palo Alto, the City already had a right to a one-year lease and voluntary landlord/tenant mediation programs. These programs were valuable in some cases, but research and community engagement found that their reach was very limited and the effective enforcement was difficult to assess. However, a number of policies that alone address only a small piece of the need, were actually determined to be complimentary, and together were more likely to have real impact.

350 W. Julian Street, Building 5, San Jose, CA 95110
 408.780.8411 • www.svathome.org • info@siliconvalleyathome.org



HOUSING ELEMENT

July 1, 2022

RE: **Housing Element – Anti-displacement policies to Affirmatively Further Fair Housing**

Page 2 of 4

Based on the work in Palo Alto, and a number of other cities, below are a number of policies that the City of Santa Clara should consider, or build upon, to further the community's anti-displacement goals by addressing housing instability.

1) **Rental Survey Program**

Rental survey systems collect basic information on rental housing – changes to tenancies, changes to rents - to empower cities to better understand the challenges faced by renters, and the effectiveness of state and local renter protections.

2) **Tenant Relocation Assistance**

When tenants are displaced due to redevelopment of an existing rental property, or the conversion of that property to another use, this policy would require the property owner to provide assistance to the tenant to help them relocate to another home.

3) **Eviction Reduction Program**

This expands on existing state law (AB 1482: The Tenant Protection Act of 2019), which limits the reasons a landlord can evict a tenant, to additional types of rental properties otherwise not covered by the state. Local jurisdictions can determine which loopholes they would like to close. Currently, state law exempts:

- a) Single family homes not owned by a corporation
- b) Rental property built within the past 15 years, including accessory dwelling units.
- c) Any duplex where the owner occupied the unit before the other unit's tenancy and continues to occupy the unit.
- d) Housing restricted by a deed, regulatory restrictions, or other recorded document limiting the affordability to low or moderate income households.
- e) Mobile homes.
- f) Rental property subject to local ordinances that restrict rent increases to less than 5% plus CPI.
- g) Single family homes where the owner occupies and rents at least 2 bedrooms or units (ADUs and JADUs).
- h) Owner occupied rental properties where the tenant shares bathroom or kitchen facilities with the owner.
- i) Hotels
- j) Rental property provided by non-profit hospitals, organizations such as churches, extended care for the elderly, adult care facilities etc.

4) **Anti Rent-Gouging Policy**

This policy also expands on existing state law (AB 1482: The Tenant Protection Act of 2019), which limits annual rent increases to 5% plus the Consumer Price Index (CPI), by including additional units exempted by state law. Each city can determine which loopholes they would like to close. They can also adopt lower thresholds for maximum increases like San Jose (5%) and Mountain View (CPI). Currently, state law exempts:

- a) Single Family homes not owned by a corporation
- b) Rental property built within the past 15 years, including accessory dwelling units.
- c) Any duplex where the owner occupied the unit before the other unit's tenancy and continues to occupy the unit.
- d) Housing restricted by a deed, regulatory restrictions, or other recorded document limiting the affordability to low or moderate income households.
- e) Mobile homes.
- f) Hotels

July 1, 2022

RE: **Housing Element – Anti-displacement policies to Affirmatively Further Fair Housing**

Page 3 of 4

- 5) **Security Deposit Limit**
This policy would limit the amount that can be charged for security deposits to 1.5 times the monthly rent, and help reduce the financial obstacles to entry for low-income households.
- 6) **Fair Chance Ordinance**
This ordinance would limit landlords' ability to ask applicants about their history of interaction with the criminal justice system, which disproportionately impacts Black and brown households. The policy would not make it illegal for landlords to run background checks on tenants, but would make it illegal to include these questions on the initial rental application.
- 7) **Right to Counsel**
This program would provide tenants with legal assistance in eviction cases. Tenants experiencing housing instability will be better able to enjoy the rights they have, feel more empowered to exercise those rights, and be more likely to stay housed more often.
- 8) **Tenant/Community Opportunity to Purchase (TOPA/COPA)**
The local jurisdiction could provide tenants and/or community-based organizations notice of intended sale of rented property, and provide a specific time period during which the tenants and/or organization have the opportunity to purchase the property. Tenants at risk of being displaced through the sale of a building would be provided with another option to potentially stay in their home. A version of this policy is actively being explored and studied in the City of San Jose.
- 9) **Proactive Rental Inspection**
This establishes a program for code enforcement officers to routinely inspect the rental housing inventory. Through these programs tenants are more likely to be protected from living in substandard housing, and local jurisdictions may catch habitability issues before they become so large that they require "red tag" evictions.
- 10) **Tenant Resource Center**
As a response to the pandemic, the cities of San Jose and Mountain View created Eviction Help Centers where tenants and landlords could receive information on local laws, assistance to apply for rent relief and legal aid. These cities are now looking at making the centers a permanent tenant/housing resource center post-pandemic.
- 11) **City-wide Affordable Rent Portals**
A portal for submitting a common application for affordable housing would save the tremendous amount of time and energy it currently takes to submit the same information on separate applications for each affordable property. A clearinghouse of affordable housing opportunities would also allow the city or county to affirmatively market to vulnerable and hard to reach populations. Current examples of these portals include [San Jose Doorways](#) and [Dalia in San Francisco](#).
- 12) **Increase Multi-lingual engagement with city services and housing opportunities**
Language barriers can keep many communities from accessing the housing opportunities and services they need. Taking steps to increase the city's capacity to engage under multiple languages can improve those outcomes.
- 13) **Net-loss policy**
SB 330 (The Housing Crisis Act of 2019) requires that protected units are replaced one-for-one in cases of the redevelopment of a rental property. These provisions are currently mandated by state law, but local jurisdictions



SANTA CLARA

HOUSING ELEMENT

July 1, 2022

RE: **Housing Element – Anti-displacement policies to Affirmatively Further Fair Housing**

Page 4 of 4

can adopt permanent no-net-loss ordinances. This policy would protect critical sources of housing affordable to lower-income families, and incentivize higher-density infill redevelopment when paired with land use policies to support the feasibility of this redevelopment.

These policies have been developed with consideration of some of the major barriers to housing stability, and causes of displacement, which have been identified through an extensive research and engagement process in Palo Alto, and a few other jurisdictions in the county. Through the housing element, these anti-displacement policies should be considered a comprehensive package of responses to address the complexity of the challenges faced by renters in Santa Clara. For further information and if you have any questions, please feel free to reach out to our Preservation and Protection Associate, Emily Ann Ramos at emily@siliconvalleyathome.org.

Thank you for considering anti-displacement and tenant protections solutions to affirmatively further fair housing.

Sincerely,

Mathew Reed
Policy Director

350 W. Julian Street, Building S, San José, CA 95110
408.780.8411 • www.svathome.org • info@siliconvalleyathome.org

FIGURE 4: FORMAL COMMENT LETTER: HOUSING CHOICES



DEVELOPMENTAL DISABILITIES COMMENTS FOR

CITY OF SANTA CLARA HOUSING ELEMENT

Introduction to Developmental Disabilities

California state law defines developmental disabilities as a disabling condition that emerged before age 18, is expected to be lifelong, and is a substantial disability attributable to major impairment of cognitive and/or social functioning. A substantial disability is defined as “significant functional limitations...in three or more of the following areas of major life activity, as appropriate to the person’s age: Receptive and expressive language; Learning; Self-care; Mobility; Self-direction; Capacity for independent living; and/or Economic self-sufficiency”. Developmental disabilities include intellectual disability, autism, Down syndrome, epilepsy, cerebral palsy, and other disabling conditions similar in their functional impact to an intellectual disability. A developmental disability by definition does not include conditions that are solely physical, psychiatric or learning disabilities (Section 4512 of the Welfare and Institutions Code and Section 54000-54002 of the Code of Regulations). Under California’s Lanterman Developmental Disabilities Services Act and the U.S. Supreme Court’s 1999 decision in *Olmstead v. L.C.*, people with developmental disabilities are entitled to receive community-based services that allow them to live in the least restrictive community setting of their choosing. In California these services are accessed through the state’s 21 Regional Centers and funded by the Department of Developmental Disabilities. This shift to de-institutionalization has led to the closure of the most restrictive segregated settings and to the requirement, under SB 812, that local jurisdictions in their Housing Elements assess and plan specifically for the housing needs of people with developmental disabilities who receive supportive services from the Regional Center in order to live in their home community.

Demographic and Other Trends Affecting the Housing Needs of People with Developmental Disabilities

Higher Proportion of Adults with Developmental Disabilities in the City of Santa Clara. The City of Santa Clara is home to 612 people with developmental disabilities (Table __). Because the previous Housing Element 2014-2023 reported the population by zip codes there is overlap with surrounding jurisdictions which makes it difficult to estimate the change in population in the City of Santa Clara alone, however throughout Santa Clara County there has been a 14% increase in the population with



HOUSING ELEMENT

developmental disabilities between 2015-2021, much faster than the general population. The table below shows that the City of Santa Clara requires more housing options for adults with developmental disabilities than other parts of the County because a greater proportion of City of Santa Clara's residents with developmental disabilities are adults (67%) as compared to the County's total population (63%).

Table ____ City of Santa Clara and Santa Clara County Population with Developmental Disabilities

Age	City of Santa Clara	City of Santa Clara % of total	Santa Clara County	Santa Clara County % of total
Under age 18	204	33%	4016	37%
18 and older	408	67%	6737	63%
Total	612	100%	10753	100%

Note: The City of Santa Clara population with developmental disabilities was provided by San Andreas Regional Center as of November 2021. The Santa Clara County population with developmental disabilities is based on county-level data published by the Department of Developmental Services as of June 2021.

Living Arrangements of City of Santa Clara Adults with Developmental Disabilities. Assessing the housing needs of adults with developmental disabilities is of particular importance because as they age the adults will require a residential option outside the family home, whereas the family home is the preferred living option for children with developmental disabilities. As of June 2021, San Andreas Regional Center (SARC) reported that the family home is the most prevalent living arrangement for the City of Santa Clara's adults with developmental disabilities, with 66% of adults continuing to live in the family home. Only 16% of City of Santa Clara adults with developmental disabilities have successfully transitioned to living in their own apartment, more than half of whom live at inclusive properties Estancia Apartments and Rivertown Apartments where a total of 38 units are set-aside for people with developmental disabilities who receive on-site supportive services to help them remain stably housed. As of 2021, 17% of City of Santa Clara adults were reported to be living in licensed care facilities, however, as discussed below, opportunities for adults to live in a licensed care facility are declining throughout the County. This decline is fueling the need for the City of Santa Clara to increase opportunities for adults with developmental disabilities to live in affordable housing with supportive services in order to decrease risk of homelessness or displacement when a parent or family member is no longer able to provide housing.

Decline in Licensed Care Facilities in Santa Clara County. The Department of Developmental Services reports that between September 2015 and June 2021, 5% fewer people with developmental disabilities were able to be housed in licensed care facilities (including Community Care Facilities, Intermediate Care Facilities, and Skilled Nursing Facilities) in Santa Clara County, even as the adult population in need of residential options outside the family home grew. This trend increases the need for affordable housing options coordinated with supportive services funded by the San Andreas Regional Center. The County's reduced supply of licensed care facilities increases the likelihood that City of Santa Clara adults with

developmental disabilities will be forced out of the county when their parents are no longer able to house them--unless there is a significant improvement in access to affordable housing.

Table ____ Living Arrangements of Adults with Developmental Disabilities in City of Santa Clara compared to Santa Clara County

Adult Living Arrangements	City of Santa Clara	City of Santa Clara Percent of Total	Santa Clara County	County Percent of Total
In the family home	269	66%	4,362	65%
Own apartment with supportive services	66	16%	756	11%
Licensed Facilities	69	17%	1,525	23%
Other (including homeless)	4	1%	94	1%
Total Adults	408	100%	6,737	100%

Note: The City of Santa Clara population with developmental disabilities was provided by San Andreas Regional Center as of November 2021. The Santa Clara County population with developmental disabilities is based on county-level data published by the Department of Developmental Services as of June 2021.

Longer Life Spans. Between September 2015 and June 2021, the Department of Developmental Services reports that the number of Santa Clara County residents with developmental disabilities age 62 and older grew by 35% (Table ____). This increase is generally attributable to well-documented gains in life span, rather than to migration of seniors with developmental disabilities into Santa Clara County. Longer life spans mean that more adults with developmental disabilities will outlive their parents and family members who are by far the single largest source of housing for people with developmental disabilities in the City of Santa Clara. Because older adults currently occupying a licensed facility in Santa Clara County are living longer, this reduced rate of occupant turnover, coupled with closing facilities, will make it more difficult for middle-aged and senior adults who have been living with aging parents in the City of Santa Clara to transition to licensed care when their parents pass away.

Displacement. Notwithstanding 20% growth in Santa Clara County's total population of adults with developmental disabilities, the Department of Developmental Services has documented a 15% decline in the age group 42 to 51 in Santa Clara County between September 2015 and June 2021 (Table ____). In light of gains in life expectancy, this loss can reasonably be attributed to displacement from the county because of the lack of residential living options (either licensed facilities or affordable housing) when an elderly family caregiver passes away or becomes unable to house and care for the adult. Displacement takes a particular toll on adults with developmental disabilities who depend on familiarity with transit routes and shopping and services, as well as support from community-based services and informal networks built up over years of living in Santa Clara.

Increase of Autism Diagnosis Reflected in Increase in Adults in their 20s and 30s. Growth in the Santa Clara County adult population with developmental disabilities correlates with a well-documented annual



HOUSING ELEMENT

increase in the diagnosis of autism that began in the mid-1980s and did not level out until after 2015. The cumulative impact of this trend is already seen in the growth of the Santa Clara County population age 18 to 41 with developmental disabilities and will continue into the future. This trend has significant implications for housing needs among City of Santa Clara adults with developmental disabilities during the period of the 2023-2031 Housing Element, as the population can be expected to continue to grow at a faster rate than the general population.

Table __ Changes in Age Distribution of Adult Population in Santa Clara County

Age	2015 Number	2021 Number	% Change
18 to 31	2,767	3,515	27%
32 to 41	891	1,212	36%
42 to 51	833	705	-15%
52 to 61	702	744	6%
62 plus	416	561	35%
Total adults	5,609	6,737	20%

Source: Department of Developmental Services Quarterly Report by County.

Higher Rates of Physical Disabilities. People with developmental disabilities are more likely than the general population to have an accompanying physical disability. Almost 20% of Santa Clara County residents with developmental disabilities have limited mobility, and 15% have a vision or hearing impairment. The need for an accessible unit coupled with the need for coordinated supportive services compounds the housing barriers faced by those with both cognitive and physical disabilities.

Ineligibility for Many Affordable Rental Units. Some adults with developmental disabilities depend on monthly income of around \$1,000 from the Supplemental Security Income (SSI) program, pricing them out of many of the limited number of affordable housing units in the City of Santa Clara. Those with employment tend to work part-time in the lowest paid jobs and also struggle to income-qualify for many of the affordable housing units now available for rent in the City of Santa Clara.

Transit-Dependent. Most adults with developmental disabilities do not drive or own a car and many rely on public transit as a means to integration in the larger community.

Best Practices for Inclusion of People with Developmental Disabilities in Typical Affordable Housing

The City of Santa Clara can meet the housing needs of people with developmental disabilities by adopting policies and programs to continue promoting their inclusion with coordinated services in typical affordable housing. The following considerations should guide the City of Santa Clara in this pursuit:

- **Integration in typical affordable housing** is a priority in order to affirmatively further fair housing for a group that has historically experienced no alternatives to segregated living and also to counter the displacement of adults with developmental disabilities out of the City of Santa Clara.
- **Coordination of housing with onsite supportive services** funded by the San Andreas Regional Center should be encouraged. These fully funded coordinated services provide a supported pathway for people with developmental disabilities to apply for and retain an affordable apartment and are often as essential to a person with a developmental disability as a physically modified unit is to a person with a mobility, vision, or hearing impairment.
- **A mix of unit sizes** at inclusive housing properties would address the needs of those who require live-in aides, want to live with roommates or partners, or have children.
- **Location near public transit** would accommodate the transit-dependency of most adults with developmental disabilities.
- **Deeply affordable housing is needed by people with developmental disabilities.** Per HCD guidance, the City should plan for at least 1,484 Extremely Low Income (ELI) units, or 50% of its Very Low Income RNHA allocation. ELI units are particularly important to people with developmental disabilities, and some of the City's planned production of ELI units should be subject to a preference for people with developmental disabilities.

Policy and Program Recommendations

The City of Santa Clara has a responsibility not simply to assess the housing needs of people with developmental disabilities but also to create and implement policy, zoning, program and other changes that make it more feasible for affordable housing developers to include people with developmental disabilities in their housing plans. Since its last Housing Element, the City of Santa Clara approved two new inclusive affordable housing projects, 2330 Monroe Street and The Meridian, which will create 26 new apartments subject to a preference for people with developmental disabilities who need coordinated onsite services funded by the San Andreas Regional Center. However, the city still has a long way to go in meeting the housing needs of adult residents with developmental disabilities. Over the course of the next Housing Element cycle the need for deeply affordable housing paired with coordinated supportive services will continue to increase as the population of adults with developmental disabilities continues to grow and outlive aging parents while beds available in licensed facilities continue to decline. In order to meet the increasing needs of the City's population of people with developmental disabilities, policies and programs that explicitly promote inclusion of people with developmental disabilities in affordable housing with coordinated services provided by the San Andreas Regional Center are required. Below are examples of programs and policies which can help to prevent homelessness or displacement of these vulnerable residents as well as to provide opportunities for people with developmental disabilities to live in the least restrictive setting of their choosing in line with the Olmstead Decision.

- **Affirmatively Further Fair Housing by Producing More Extremely Low-Income Housing.** Not only is disability the highest-ranked source of Fair Housing complaints in Santa Clara County, a



HOUSING ELEMENT

growing body of Santa Clara County data indicates that Black, Indigenous and other People of Color (BIPOC) with disabilities experience higher rates of severe rent burden than either BIPOC without disabilities or whites with disabilities. Such disparities in the experience of severe rent burden, housing instability and displacement from the City of Santa Clara are attributable to the shortage of housing priced to be affordable to Extremely Low Income (ELI) households with incomes below 30% of Area Median Income. Multiple barriers including high land and construction costs and limited funding make it difficult for developers to produce Extremely Low Income units that would help to reduce such disparities. Local zoning and other policies that lead to increased production of Extremely Low Income units, as well as city staff dedicated to implementing and overseeing those policies, will Affirmatively Further Fair Housing in the City of Santa Clara and decrease displacement and homelessness for the most at-risk residents, including people with developmental disabilities.

Sample Language: The City of Santa Clara's plans to Affirmatively Further Fair Housing for Black, Indigenous and other People of Color, particularly those with disabilities, shall include policies designed to increase the production of Extremely Low Income units, as well as adequate staff capacity to implement and monitor the impact of these policies.

- **Establish and monitor a quantitative goal.** Tracking the City's success in housing people with developmental disabilities is essential to determine whether policies and programs are having an effect in overcoming historic patterns of discrimination and exclusion of people with developmental disabilities from affordable housing. A goal of 100 new Extremely Low-Income housing units for City of Santa Clara residents with developmental disabilities over the period of the 2023-2031 Housing Element would represent meaningful progress towards the total unmet housing need of this special needs group.

Sample Language: The City of Santa Clara shall monitor progress towards a quantitative goal of 100 new Extremely Low Income housing units that are subject to a preference for people with developmental disabilities needing the coordinated services provided by San Andreas Regional Center to live inclusively in affordable housing.

- **Target City-Owned Land, Land Dedicated to Affordable Housing under the Inclusionary Ordinance and City Housing Funds to Achieve City-Specific Priorities.** City-owned land, land dedicated to affordable housing in lieu of providing affordable units under the inclusionary ordinance, and city housing funds are often essential to the development of affordable housing that is financially feasible in the City of Santa Clara. In creating guidelines for the scoring of any competitive proposals for these scarce resources, the City should grant additional points to affordable housing projects that address the housing needs of the residents who are most difficult to house under existing state and federal housing finance programs—for example, by prioritizing proposals with a higher number of Extremely Low Income units or that make a percentage of units subject to a preference for identified categories of special needs people who would benefit from coordinated onsite services, including but not limited to people with developmental disabilities who benefit from services of the San Andreas Regional Center.

Sample Language: In publishing requests for competitive proposals for any city-owned land, land dedicated to affordable housing under the city's inclusionary ordinance or city housing funds, the City of Santa Clara shall grant additional points to proposals that address the city's most difficult to achieve housing priorities, by, for example, providing a greater number of Extremely Low-Income units or committing to make a percentage of the units subject to a preference for people with special needs who will benefit from coordinated onsite services, such as people with developmental disabilities who receive services from the San Andreas Regional Center.

- Local Density Bonus.** Like many state and federal housing finance programs, the state density bonus program incentivizes the production of housing at the Low and Very Low Income level. But in counties like Santa Clara County, with one of the highest Area Median Incomes in the state, these incentives have the effect of making much of the available affordable housing out of reach for residents on fixed incomes (including seniors and persons with disabilities) or who are working in low wage jobs and are thus unable to meet minimum income requirements to afford the rent assigned to the Very Low Income category. The City of Santa Clara should add additional local incentives to the state density bonus law to make it more responsive to the impact of Santa Clara County's high Area Median Income on the affordability of housing for City of Santa Clara residents who are Extremely Low Income, including special needs populations, for example, people with developmental disabilities.

Sample Language: In addition to implementing the California density bonus statute, the City shall provide an additional local density bonus, incentives, and/or concessions for housing projects that include at least 5% of the units for people at the Extremely Low-Income affordability level, including special needs populations, for example, people with developmental disabilities.

- Extremely Low-Income Accessory Dwelling Units.** As part of a larger plan to increase the supply of Accessory Dwelling Units (ADUs), the City should consider creating a financing and/or incentives program for homeowners who build ADUs and rent them for at least 15 years at Extremely Low Income rent levels or that are subject to a preference for identified categories of special needs people who would benefit from coordinated onsite services, including but not limited to people with developmental disabilities who benefit from services of the San Andreas Regional Center.

Sample Language: Subject to funding availability, the City shall devise a program of financing and/or incentives for Accessory Dwelling Units subject to rent restrictions for at least 15 years at Extremely Low-Income rent levels and/or target special needs populations, such as people with disabilities who will benefit from coordinated services provided by the San Andreas Regional Center.



HOUSING ELEMENT

- **Reduce Parking Requirements for People with Developmental and Other Disabilities.** Because most adults with developmental disabilities do not drive or own a car, the City of Santa Clara should revise its ordinances to limit parking required for affordable units for people with developmental disabilities to .5 space for each affordable studio or 1 bedroom unit and 1 space for an affordable 2 bedroom unit or larger. A similar reduction is recommended for affordable, physically accessible units.

Sample Language: The City of Santa Clara shall encourage the inclusion of people with developmental and other disabilities in affordable housing by recognizing their transit dependence and establishing lower parking ratios for units targeted to people with developmental and other disabilities than would otherwise be required for affordable housing.

- **Affirmative Marketing of Physically Accessible Units:** Developers are allowed to affirmatively market accessible units to disability-serving organizations in Santa Clara County (i.e., San Andreas Regional Center, Housing Choices Coalition for Person with Developmental Disabilities, Silicon Valley Independent Living Center and others) but rarely take this step. Affirmative marketing is particularly needed by people with developmental disabilities who, because of cognitive, communication and social impairment, often rely on housing navigation services funded by the San Andreas Regional Center to learn about and apply for affordable housing.

Sample Language: 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 of Santa Clara shall 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.

FIGURE 5: FORMAL COMMENT LETTER: SILICON VALLEY AT HOME





HOUSING ELEMENT

August 8, 2022

Re: Draft Housing Element Update

Page 2 of 6

state Department of Housing and Community Development. Towards that end, SV@Home is submitting the following comments.

Outreach, Community Input, and targeted Affirmatively Furthering Fair Housing (AFFH) outreach as the foundation of the Housing Element Update process

We do not find that the Draft Housing Element Update shows evidence of the significant public engagement and community participation required to be compliant with guidance provided by the state. The importance of this public engagement and community participation to the development of the Housing Element Update is central to development of each component of the document from the assessment of needs, to the development of policies and programs to address those needs, to the strategies employed to select housing opportunity sites to fulfill the RHNA.

Community Participation means a solicitation of views and recommendations from members of the community and other interested parties, a consideration of the views and recommendations received, and a process for incorporating such views and recommendations into decisions and outcomes. To address these requirements, the housing element must describe meaningful, frequent, and ongoing public participation with key stakeholders. Under AB 686 (Affirmatively Furthering Fair Housing) this requires going beyond simply giving the public an opportunity to provide input and should be proactively and broadly conducted through a variety of methods to assure access and participation of those most impacted by the City's housing needs and least likely to have access to standard modes of community input.

The summary of community engagement efforts and community participation was not included in the Draft Update released for public comment. City Staff explained that an online community survey had closed after the draft was released and that stakeholder meetings were ongoing. During the joint Planning Commission and City Council study session held on July 12th, staff described outreach efforts targeted at increasing participation in the online survey but very little about the process or substance of any additional engagement and solicitation of input. Without the detailed description of this effort it is difficult to assess, but it is clear that the most robust community participation instrument, the online survey, was employed after the draft needs assessment, proposed policies and programs, and sites inventory had been completed.

SV@Home, which had established itself as an interested stakeholder in 2021, and participated in a community meeting and provided comment at an earlier council study session, was notified of the online survey through email on June 20th. I, as a resident of Santa Clara who had expressed an interest in receiving Housing Element Update process updates, received a link to the survey on June 27th. SV@Home was not notified that the draft had been released on July 1. Nor were we notified that a joint Planning Commission and City Council study session would take place on July 12th. We received no notification of earlier study sessions either.

While the participation in the online survey appears to have been significant, it comes too late to inform the draft and is predictably skewed towards older, wealthier, whiter, homeowners. These limits of the survey instrument were discussed at some length during the study session, as was the more specific need to understand the specific needs and priorities of lower-income renters and LatinX respondents. Lower-income, Black and LatinX, renters have been shown to have been disproportionately impacted by the multiple dimensions of the housing crisis. Their perspectives must be disaggregated in community input to reasonably understand their needs. Everybody's input is important, but this falls short of the targeted - early and often - engagement required under AFFH.

350 W. Julian Street, Building 5, San José, CA 95110
408.780.8411 • www.svalleyathome.org • info@siliconvalleyathome.org

August 8, 2022
 Re: Draft Housing Element Update
 Page 3 of 6

As a result, the Housing Element does not a) provide a summary of public comments and b) explain how the comments were considered and incorporated, including comments that were not incorporated.

Housing Needs Assessment and Evaluation of Past Housing Element Performance

The Housing Needs Assessment does not incorporate local knowledge or analysis. The Housing Needs Assessment is almost entirely taken from the data packet of demographic information provided by the Association of Bay Area Governments. Given the limited outreach and public engagement prior to the release of the Draft Housing Element Update, it has been impossible for the public, or appointed and elected officials, to understand the assessment of needs presented in a way that allows them to comment on or expand the city's understanding of local housing needs. As a result, there is no evidence of any analysis of need, beyond the rudimentary assessment provided by the Association of Bay Area Governments (ABAG), incorporated into the Housing Needs Assessment. ABAG's materials state that the final step for completing the Housing Needs Assessment when using the provided data packets is to "Make meaning and find insights: Add the analysis that contextualizes this data for your jurisdiction and connects housing needs to policies and programs."

SV@Home recommends that the City of Santa Clara conduct additional outreach and analysis of the housing needs data in the draft with the goal of better understanding the housing needs of the city as they are experienced by residents of the city. We would draw particular attention to the AFFH requirement to assess the differences in experiences by race/ethnicity and across neighborhoods within the city. We find little effort to connect the data points showing that LatinX residents, and other members of protected classes, face greater incidents of housing instability and overlapping housing needs.

Lack of engagement on the assessment of the 5th Cycle Housing Element Update. The City failed to solicit and integrate public comment into the assessment of programs and policies adopted in the 5th Cycle Housing Element update. Neither was this assessment process integrated into the study sessions before the Planning Commission and/or the City Council. Partially as a result, what is provided is a less than thorough assessment of the progress made and the barriers that impeded progress during this period. In most cases, as is the pattern with the draft discussion of the proposed 6th Cycle programs and policies, the programs are simply noted as "ongoing" rather than attempting to assess the impact of specific actions taken. This is both less than we believe is required of this process and a missed opportunity to learn from some of the significant successes. City staff may feel it has a handle on these details, but failure to share through this process in a way that is publicly accessible (and accessible to a mostly new Planning Commission and City Council) is not compliant with state guidance and will significantly hamper ongoing public engagement.

SV@Home recommends that the assessment of the 5th Cycle Policies and Programs be incorporated into the more comprehensive assessment of housing needs, including concrete opportunities for public engagement around the lessons learned from these prior efforts. If most of these policy actions will be continued or have yet to be completed and are rolled over into the 6th Cycle update, it is critical that their impact be carefully reviewed. We believe this is a clear process requirement of this update.

Policies and Programs - Housing Needs Constraints and AFFH. An essential component of the Housing Element Update process is making connections for the plan to be responsive to its own findings – assessing the existing housing needs, and those that may be specific to enumerated populations under AFFH



HOUSING ELEMENT

August 8, 2022

Re: Draft Housing Element Update

Page 4 of 6

requirements, and then showing the work and closing the loop connecting them to specific policies and programs to be implemented in response. We have discussed our concerns with the outreach and engagement meant to inform this process. We have noted the limited assessment of existing programs. Subsequently, we struggle to track the connection between needs and solutions in the draft.

As with many other jurisdictions that we are tracking and reviewing across the state, we believe the lack of detail in the policies and programs included in the draft will not prove to be compliant. From our reading each of the policy and program areas presented are listed as “ongoing.” There appear to be two pieces of policy work that are on a scheduled timeline: the comprehensive Zoning Code update initiated in 2014, which we understand as being part of the state mandate that there be objective development standards in place; and the update of the Inclusionary Housing program. With those exceptions, the proposed policies and programs lack a clear definition of work to be undertaken, provide no clear prioritization, and turn to “study,” “consider,” “continue to monitor,” and “review,” rather than fully operationalizing the steps that will be taken. This portion of the update clearly falls short of the standards and guidance provided by the state and by numerous supporting documents made available from multiple sources over the past year. We have seen the lack of detail, discrete action steps, and clear timelines referenced in multiple HCD comments to another jurisdiction.

We would note that we believe there is a general failure to substantively address housing instability and displacement experienced by protected classes under AFFH in Santa Clara. We would also note that this failure was acknowledged during the study session held on July 16th, during which a number of “Potential Programs to Consider” were presented. Ideally, this is not the time to be taking the temperature of decision makers on key policies. These policies should be crafted in response to identified needs and public engagement. If an elected body is presented with a policy solution to address an identified need and chooses not to pursue that policy, this may or may not risk a non-compliant Housing Element. We believe, however, that identifying existing needs and developing specific policy and programmatic responses is required as a part of this process, and it falls to city staff to show their work and explain their recommended course of action.

SV@Home recommends that the content and description of policies and programs to respond to housing needs and constraints should be made significantly more specific in order to be actionable during the 6th Cycle.

Housing Opportunity Sites Inventory

Avoid Double-Counting 5th Cycle Completed Projects into the 6th Cycle Pipeline Inventory. The pipeline projects listed under Table 13.6-2 have sites labeled as “approved” or “Under Construction” but they do not specify whether they have approved building permits. In an initial review we found major projects listed as “Approved” that were already well under construction having received building permits. Similarly, a number of projects listed as “Under Construction” were found on the Annual Progress Report (APR) lists in prior years. The narrative provided on page 13.6-3 defines “Under Construction” projects as sites with anticipated completion and occupancy permits after June 30, 2022. According to the 5th Cycle Housing Element APR rules, however, projects that acquired their building permits within the planning period would count as progress

August 8, 2022
 Re: Draft Housing Element Update
 Page 5 of 6

towards a jurisdiction's RHNA.¹ As such, projects that have acquired their building permits would not qualify to be included in this 6th Cycle Draft Housing Element sites inventory.

SV@Home recommends that the City of Santa Clara confirm and remove any sites from the inventory that received building permits prior to June 30, 2022, whether listed as "Under Construction" or "Approved".

Overdependence on a few Specific Plan Areas, lacking assessment of development expectations. In general, cities should use an AFFH lens when initially reviewing sites to potentially include in the inventory and should not place too much reliance on sites in major plan areas located in lower-resourced areas. The sites inventory places 95% (4,590 units) of its lower-income sites in three major plan areas north of El Camino Real, all within moderate resourced areas with some sites abutting low-resourced areas. The ability of affordable developments to be competitive for state and federal financing will be more limited in moderate-resource areas. Beyond the failure to plan in higher-resourced areas, this over reliance raises a number of concerns: phasing for specific plan areas is often already planned and is subsequently better known than the potential timing for infill development sites; similarly, the developers' intent for specific sites – commercial, market-residential, affordable-residential – are also more generally more transparent. For these reasons the standard of evidence of likely development in these plan areas should reflect this knowledge.

Failure to incorporate AFFH requirement to spread lower-income sites throughout the City, including higher-resourced areas. The sites inventory should identify and analyze the viability of placing lower-income housing units in high opportunity areas. The highest resourced areas in Santa Clara are located in the southerly sections of the city, which have the highest incomes and schools with the top ranking education scores, as shown in Figure 13.3-22 and Figure 13.3-23. Although investing in lower-resourced areas should also be a priority, **the City of Santa Clara must show efforts to provide access to affordable housing options throughout the entire city.** While located in more areas throughout the city, the distribution of pipeline projects alone does not satisfy this AFFH requirement, as they only make up 15% of the lower-income inventory and are not predominantly located in high resourced areas.²

Obvious areas of opportunities to build lower-income housing in higher-resourced areas would be in Santa Clara's downtown or near Stevens Creek Boulevard, which have General Plan Focus Areas. However, the sites inventory does not take advantage of these potential higher-resourced areas to meet AFFH, nor does the Draft Housing Element discuss why these particular areas should not be included. It is particularly disturbing that the prevalence of neighborhood opposition to new housing development is explicitly used as an explanation of why the sites inventory focuses entirely on plan areas where fewer people currently live. This is explicitly contrary to the state direction that the expectation of AFFH requirements open up areas and neighborhoods that have previously been exclusive and created barriers to economic integration and expanded access to opportunity.

¹ [HCD, Housing Element Annual Progress Report Instructions \(pg 91\)](#)

² [Site Inventory Guidebook](#), Attachment: Summary of New Laws Referenced in the Guidebook (pg. 39): "AB 686 requires jurisdictions to conduct an assessment of fair housing in the housing element, **prepare the housing element site inventory through the lens of affirmatively furthering fair housing**, and include program(s) to affirmatively further fair housing."



HOUSING ELEMENT

August 8, 2022

Re: Draft Housing Element Update

Page 6 of 6

SV@Home recommends that the City of Santa Clara update the sites inventory to include sites in the General Plan Focus Areas located in high and highest resourced areas so as to achieve AFFH requirements of providing affordable housing opportunities throughout the city.³

HCD's base level standards for the sites inventory are high. Lower-income sites must: 1) provide substantial evidence, such as market conditions and stronger development trends than what was provided, that indicate existing non-residential use will be discontinued or will not be an impediment to future residential development; 2) demonstrate that there is clear developer interest in redeveloping each site within the planning period, and 3) incorporate potential constraints (e.g. environmental, parking, open space, etc.) into the inventory's realistic capacity calculations consistent with HCD's Site Inventory Guidebook (per Government Code section 65583.2(c)(2)). An explanation of the factors leading to these conclusions in the site-specific analysis should also be provided.

The policies and programs listed in the Draft Housing Element need to support the efforts to successfully build-out the sites inventory. Chapter 13.6 should summarize and be clearly reflective of the outcomes from the proposed policies and programs outlined in Chapter 13.2 of the Housing Plan in order to make the identified sites viable for development without foreseeable constraints, within the planning period.⁴

Closing

The City of Santa Clara's Draft 6th Cycle Housing Element falls short of the statutory requirement at multiple levels, from its failure to elicit and reflect community input, to its deficient analysis of needs, to its absence of concrete programs with implementation details and timelines. We also believe the sites inventory falls significantly short of the AFFH requirements for this process. We encourage HCD to issue findings that the Draft does not substantially comply with Housing Element Law and direct the City to correct these and other deficiencies which may be identified. We would acknowledge again, that City staff have made it clear that they intend to continue to solicit input and refine the current draft prior to final review and approval by the City Council. We believe this provides opportunities to address deficiencies, but these actions will need to be significant.

Sincerely,

Mathew Reed
Director of Policy

³ [Site Inventory Guidebook](#), Background/Purpose, Housing Element Site Inventory Requirements (pg. 3): "When determining sites to include in the inventory to meet the lower income housing need, HCD recommends that a local government **first identify development potential in high opportunity neighborhoods**. This will assist the local government in meeting its requirements to affirmatively further fair housing and ensure developments are more competitive for development financing... A site inventory and analysis will determine whether **program actions** must be adopted to "make sites available" with appropriate zoning, development standards, and infrastructure capacity to accommodate the new development need."

⁴ ABAG Summary of Housing Element Reviews: Sites Inventory (pg. 3): "For non-vacant sites, most jurisdictions will need to provide substantial evidence that the existing use is not a barrier to redevelopment. This is a high bar and will require both *site-specific* analysis and a summary of development trends. Additionally, jurisdictions should **summarize policies and programs that support residential development on proposed redevelopment sites**"

FIGURE 6: FORMAL COMMENT LETTER: LIFE SERVICES ALTERNATIVES

From: Dana Hooper <dhooper@lsahomes.org>
Sent: Tuesday, August 16, 2022 1:54 PM
To: Adam Marcus <amarcus@santacclaraca.gov>
Cc: Hadiyah Fain <hfain@lsahomes.org>
Subject: comments to the 23-31 Housing Element

Hi Adam,

Thanks for taking the time to visit the LSA Cypress home. Cypress is a licensed residential care home.

As I mentioned I had a chance to review chapter 13.2 Housing Plan and have some comments I'd like to share.

My general comment is that otherwise eligible individuals should not be excluded because they choose to or are already living in a licensed residential care home. These individuals need the support just as much as there counterpart.

Here are some additional comments to specific section in the Housing Plan.

Action 1: The 4th objective – Support low-income housing alternatives such as housing for persons with disabilities should be expanded specifically to include licensed residential care homes.

Action 3: Affordable Housing Incentives and Facilitation. The construction of affordable housing should also include residential care homes as a type of facility and funding to at least the same level per person as multiunit projects.

Action 4: Maintenance of Housing Stock should include residential care homes in the definition of who is qualified to receive maintenance.

Best,

Dana



O: 408.728.9573

F: 408.762.1348

**FIGURE 7: FORMAL COMMENT LETTER: ANNE PAULSON**

From: Anne Paulson <anne.paulson@gmail.com>
Sent: Monday, August 01, 2022 4:11 PM
To: John Davidson <JDavidson@SantaClaraCA.gov>; HousingElements@hcd.ca.gov
Subject: City of Santa Clara Housing Element Update: Approvals and Pipelines

Dear John Davidson,

Santa Clara's Housing Element shows a city that is developing, and has a lot of areas where multifamily housing can be built. But the description of the approval process is vague and confusing, and parcels and projects are listed in the pipeline and the site inventory without regard to whether they will actually end up being permitted in the next eight years.

The Local Processing Explanation Is Confusing and Lacks Necessary Information

The section on Local Processing and Permit Procedures, (p 13-5,14 ff), is confusing and omits information. For each kind of project—single family housing, small multifamily, large multifamily, huge multi-acre project that requires a General Plan change—the reader wants to learn

- What are the steps, in order, from the initial approach to the city to the granting of a building permit, including General Plan amendments if those are required?
- How long does each one take, and which ones can be combined?
- How many public meetings are required?
- How much does each step cost?
- What is the average and the median time for each step, and what is the average and median time from initial approach to the granting of the permit?
- What is the average/median cost for each type of project?
- How many public meetings, in total, are required for each type of project?
- What fraction of proposed projects end up getting entitled?
- What fraction of proposed projects end up getting building permits?

The document does not give this information.

The document talks about various types of review (Architectural Review, Planned Development, etc.) but doesn't make clear their order, and which ones can be done in parallel. Table 13.5-8 promises Fee Analysis Scenarios, but they are not provided. They need to be provided, and another scenario should be added: a huge project (like 3905 Freedom Circle) that requires a General Plan Amendment.

The fees list, Table 13.5-9, is unclear. Since the document promises a fee analysis for a typical 100 unit project but doesn't provide it, I tried to compute that fee, but I couldn't. For example, the Plan Review Fee is 75% of the Building Permit Fee, but what counts as the Building Permit Fee? Moreover the Santa Clara numbers in the fee table, Table 13.5-6, seem to be much smaller than the fees listed in Table 13.5-9. And it seems that the Technology Fee computations could be streamlined if the city would just multiply the underlying numbers by 1.0337, rather than having readers attempt to work it out.

Recommendations:

- For each typical type of building (ADU, single family house, 10 unit multifamily, 100 unit multifamily, big project that requires rezoning), list each step the applicant must go through, in order, with the time it takes, the number of public meetings it requires,

the approval body or bodies, and how much it costs. I should be able to look at that table for each building type and know how long the whole process takes and how much the whole process costs.

- **Make the fees table comprehensible.** Combining fees might help.

Pipeline Projects and the Site Inventory

Turning to the pipeline projects, Table 13.6-2, I find similar unclarity. A total of 6753 units are listed in Approved projects. This is confusing: if Santa Clara has 6753 approved units in multifamily projects, why did the city only issue 2403 building permits in the last 4 years according to their 2018-2021 Annual Project Report? Why are all these projects not getting building permits, when they seem ready?

The answer is Santa Clara's definition of "approved." Normally, *approved* means a building has been approved on that parcel or those parcels, and the applicant now has only to draw up plans and submit them for a building permit. But that's not true here; instead, *approved* appears to mean that the project is somewhere along the approval cycle, not that it has been fully entitled and the next step is applying for a building permit.

Santa Clara has been rezoning entire industrial areas into neighborhoods for housing. Apparently, a project counts as approved if it's somewhere on the path from the initial General Plan change to the approval of an individual building. For an example, look at 3905 Freedom Circle (Greystar), listed as approved for 1,075 units. The Freedom Circle Focus Area Plan was only adopted in June 2022 (Table 13.6-4). Seemingly, Greystar has to go through some more approval steps before it can apply for a permit. What are those steps? This is what the document should explain, but does not. It looks like there's no certainty that Greystar is going to end up putting up buildings at 3905 Freedom Circle, though.

Instead of counting each approved project for the full number of units, Santa Clara should assume a mortality rate; neighboring San Jose assumes that only 60% of proposed projects will survive to be built. Moreover, the document needs to first make explicit what the full approval path is, and then explain where each project is along that path.

For Proposed projects, the situation is worse, and the projects are even more vague. A project called "Sares Regis" is listed for 300 units. Where is this project to be located? Sares Regis is a developer, not a location. The proposed projects should be listed with more specificity, and should be discounted for the substantial probability that they will not end up going forward.

The Site Inventory should also be discounting projects for the probability they won't be built. On p. 13.6-17, the document says, "full buildout of [the Tasman East Specific Plan] will likely occur by 2038." Then it proceeds to list every single available parcel in Tasman East in the Site Inventory. Since the site will be built out during the next two RHNA cycles, the capacity of those parcels should be discounted by 50%. The Site Inventory lists all the available parcels in the Lawrence State Plan and the Patrick Henry Drive Specific Plan area too, again without discounting. They should be discounted since the city knows the areas will not be built out in the Sixth RHNA Cycle projection period.

Recommendations:

- Be more specific about the stage of approval each project is in.



HOUSING ELEMENT

- Discount pipeline project and site inventory capacity for the probability that the project doesn't get built.

Conclusion

There is plainly a lot of capacity in Santa Clara. What the Housing Element needs to do is explain how this capacity is going to be used to build the RHNA *in the next eight years*. The document needs to be far more clear and explicit about the entire process—the steps, how long the process takes, how much the fees are, what the project mortality is—and where each listed project is along the way. If the analysis shows that Santa Clara is not on target to make the RHNA, then the steps need to be sped up and/or the process needs to be altered so that a higher fraction of projects end up surviving the process and receiving building permits.

Sincerely,

Anne Paulson

From: Anne Paulson <anne.paulson@gmail.com>
Sent: Monday, August 01, 2022 4:13 PM
To: John Davidson <JDavidson@SantaClaraCA.gov>; HousingElements@hcd.ca.gov
Subject: City of Santa Clara Housing Element Update: Programs for Affordable Housing

Dear John Davidson,

Like most jurisdictions, Santa Clara has been building mostly Above Moderate housing. Like other jurisdictions, Santa Clara is nowhere close to building below market units at a rate that would satisfy its Sixth Cycle below market RHNA.

So, it would make sense for the Housing Element to include programs, with deadlines and milestones, to build more affordable housing. A few policies look like they might be relevant:

Policy B-1: Identify potential sites for affordable housing units in areas of "high opportunity" as defined by the state.

Policy B-4: Identify and potentially designate surplus land that can accommodate low, very-low, and extremely low-income residential development.

Policy D-1: Continue to identify and apply for funding that supports the development of housing for lower-income and special needs households.

These policies look promising. But then, taking a look at the actions, they aren't actions, just more goals. Or they are vague statements of what the city plans to "explore," instead of what the city plans to do.

The City Needs to Commit to Actual Measurable Actions and Deadlines

The city must commit itself to take real actions, by concrete deadlines.

In Action 2: Affordable Housing Ordinance (p. 13.2-4) instead of "explor[ing] changes to the affordable housing ordinance," the document should *make* changes *by a certain time*. The same goes for changing the affordability requirements for moderate income inclusionary units: the document should say what the change will be and when it will be made.

In Action 1: Provision of a Variety of Housing Types (p. 13.2-4) instead of saying the city will *support* SROs, the housing element should *legalize* SROs and plan for a certain number of SRO units to be built by the end of the planning period. The same goes for homes for disabled people and seniors: the document should *allow* and *plan* for such special-need housing.

In Policy B-4 (p13.2-1) Instead of "potentially designating surplus land," the city should designate surplus land, or commit to doing so by a date certain.

To further encourage all-affordable projects, the city should also

- make all-affordable housing projects buildable by right, with ministerial approval
- remove parking minimums for all-affordable projects
- reduce fees for all-affordable projects

If the city cannot take these actions now for whatever reason, it should identify the reason and commit to taking the action by a certain date within the planning period.



SANTA CLARA

HOUSING ELEMENT

Santa Clara needs to build more affordable housing. The Programs part of the Housing Element needs to say how it plans to achieve this, with specific actions and deadlines.

Sincerely,

Anne Paulson

FIGURE 7: FORMAL COMMENT LETTER: PARTNERSHIP FOR THE BAY'S FUTURE

August 24, 2022



Submitted by email to: Adam Marcus, amarcus@SantaClaraCA.gov

RE: Santa Clara's 6th Cycle Housing Element Update

Dear City of Santa Clara:

Thank you for the opportunity to provide input on the city of Santa Clara's housing element. Your work supporting your community to meet its housing needs is critical in addressing the current housing affordability crisis. We understand that at this moment in the housing element process, your jurisdiction is waiting for comments from HCD. As such, we request that you incorporate additional equitable housing policies into your draft housing element during your next revision. We offer the attached equitable policy resources as well as potential technical assistance from Baird + Driskell Community Planning ("B+D") if your jurisdiction is interested in this level of support.

The Partnership for the Bay's Future ("PBF") is a public-private-nonprofit partnership working to create a more livable Bay Area in which diverse people of all walks of life can afford to live and thrive. To do so, we address the challenges of housing and protecting tenants through the support of equitable policy change as well as investing in the production and preservation of affordable housing.

In consultation with government leaders, housing policy experts, and communities, we have compiled a list of equitable housing priorities that we request Santa Clara incorporate into the new housing element. In some cases, these are policies that housing element law requires jurisdictions to address as a potential action or recommendation in their housing elements, but in other cases, these are suggested policies that we are raising up as PBF's equitable planning priorities. We are including the following resources for your review and consideration:

- a slide deck covering each priority policy idea, with template language for your jurisdiction to consider,
- examples of places where the policy has been adopted, and
- additional links and resources.

We believe that Santa Clara's current efforts already include some of the listed policies, which we applaud. We also believe that all Bay Area communities can take more steps to make their housing elements more equitable. The attached summaries can be used as resources for staff as they communicate with both decision makers and the public, and we are happy to provide further assistance to incorporate these policies into your housing element as well as help draft talking points that can be tailored for local implementation.

We believe the following policies can play an important role in meeting the requirements of this housing element and supporting thriving communities, and we request that Santa Clara include them in the next housing element draft:



HOUSING ELEMENT

1. Favorable Zoning and Land Use
 - Make multifamily infill easier to develop
 - Allow, require or encourage multifamily housing in more places
 - Allow or encourage missing middle housing in single-family neighborhoods
 - Provide incentives for affordable housing development
 - Provide incentives for affordable ADUs and "missing middle" housing
2. Accelerating Production Timeframes
 - Streamline development approvals and environmental review process for multifamily housing
 - Streamline permitting process for multifamily housing
3. Reducing Construction and Development Costs
 - Ensure local requirements are not making development more expensive without requisite benefits
 - Actively support the use of modular and factory-built construction methods
4. Providing Financial Subsidies: Generate new or dedicate existing revenue for affordable housing
5. Advocating for Rent Control and Just Cause for Eviction Policies
 - Adopt or update rent stabilization policies
 - Adopt or update just cause eviction policies
6. Advocating for Community Land Trusts (CLTs): Support the formation and operation of community land trusts
7. Advocating for Inclusionary Zoning and Impact Fees: Create or review/update inclusionary housing (including in-lieu fees) and commercial linkage fee requirements
8. Inventory of Sites: Ensure that land is equitably zoned for multifamily housing, especially in high-opportunity areas

If you have any questions, please contact me (krusso@sff.org) and our colleagues at Baird + Driskell (Kristy Wang, wang@bdplanning.com, and Joshua Abrams, abrams@bdplanning.com). We will follow up with you shortly to see if we can provide further support, including technical assistance from the B+D team to further explore some of these policies.

Thank you again for the opportunity to provide input into Santa Clara's housing element. We appreciate your efforts to address the housing needs of Bay Area and California residents.

Sincerely,

Khanh Russo
Vice President of Policy and Innovation
San Francisco Foundation

FIGURE 8: FORMAL COMMENT LETTER: CARPENTER'S UNION 405



CARPENTERS LOCAL UNION 405

SERVING SANTA CLARA & SAN BENITO COUNTIES

10/11/2022

Santa Clara City
Attn: John Davidson, Principal Planner
1500 Warburton Avenue
Santa Clara, CA, 95050
Via Email [John.Davidson](mailto:John.Davidson@scclga.org)

Re: Santa Clara City Draft Housing Element Update

Dear John Davidson,

Please accept these comments on the above referenced Housing Element Update on behalf of the members of Carpenters Local 405, which represents working men and women of Santa Clara City and Santa Clara County. We appreciate the opportunity and look forward to working together on this important endeavor.

To meet the urgent need for housing units outlined in the State's Regional Housing Needs Allocation (RHNA), as well as the policy goals outlined in the Santa Clara City Housing Element and larger General Plan, it is vital that Santa Clara City support efforts to build the local construction workforce. Local 405 has long been at the forefront of training the next generation of construction workers, opening pathways to the industry for diverse and traditionally underserved populations, and embracing new technologies and delivery methods to expedite the construction of much needed housing.

Without an intervention, Santa Clara City is not likely to reach its RHNA housing allocation. The City needs to build 11,632 housing units¹ over the next 8 years. The current Draft Housing Element has higher Moderate, Low, and Very Low Income housing unit allocations than the 5th Cycle Goals, all of which were not met. Critically, since 2014, only 16% of Very Low-Income, 26% of Low-Income, and 14% of Moderate-Income housing goals were met.² These issues raise concerns for the City's ability to meet affordable housing goals: a top concern for various city stakeholders, including community members.

There are practical solutions to address Santa Clara City's housing shortages. To support the policy goals of the Housing Element, Local 405 is requesting that the City add local hire and apprenticeship requirements to the final Housing Element for all residential construction projects larger than 10 units. The standards Local 405 is proposing in this comment letter would help to ensure greater benefits for the broader community, help ensure that construction labor

¹ Page 13.4-14: Draft Santa Clara City 2023-2031 Housing Element (Table 13.4-11: Regional Housing Needs Allocation)

² California Housing Partnership: Progress of Santa Clara County towards 5th Cycle RHNA

2102 ALMADEN ROAD, SUITE 115 • SAN JOSE, CA 95125 • (408) 269-7316 FAX: (408) 264-7650

PRINTED ON RECYCLED PAPER



HOUSING ELEMENT

needs are met, and guarantee that new residential development projects within the City are making needed investments in the region's skilled construction industry workforce.

The City Should Bar Issuance of Building Permits Unless Each Future Residential Development of 10 units or Above has a Viable Apprenticeship Program and Local Hiring Requirements

The Carpenters propose the following additions to the Municipal Code of Santa Clara City for any residential project larger than 10 units

Permitting requirements in the Municipal Code of Santa Clara City.

A person, firm, corporation, or other entity applying for a building permit under the relevant section of the Municipal Code of Santa Clara City, California shall be required to comply with the apprenticeship, healthcare, and local hire requirements of the Housing Element and General Plan. Failure to comply with the requirements set forth in this section shall be deemed a violation of this article.

Apprenticeship:

For every apprenticeable craft, each general contractor and each subcontractor (at every tier for the project) will sign a certified statement under penalty of perjury that it participates in a Joint Apprenticeship Program Approved by the State of California, Division of Apprenticeship Standards **OR** in an apprenticeship program approved by the State of California Division of Apprenticeship Standards that has a graduation rate of 50% or higher and has graduated at least thirty (30) apprentices each consecutive year for the five (5) years immediately preceding submission of the pre-qualification documents. The contractor or subcontractor will also maintain at least the ratio of apprentices required by California Labor Code section 1777.5.

Local Hire Policy:

Contractor will be required to provide documentation that the contractor will hire a minimum of twenty-five percent (25%) of staff for any job classification with more than four (4) employees employed whose primary residence, which is not a post office box, is, and has been, within Santa Clara county within 180 days of the expected date of issuance of the Notice to Proceed for the project.

The housing infrastructure in Santa Clara City has not kept up with increased employment opportunities. From 2010-2035, there are projected to be 30% more job openings than available housing in Santa Clara County.³ Additionally, 40.3% of people who work in Santa Clara

³ Page 3-23: Santa Clara 2010-2035 General Plan

County do not live in the County.⁴ Half of the workers who can afford to live in Santa Clara City are cost-burdened by housing expenses.⁵ As Santa Clara City grows, a lack of diverse and affordable housing prevents workers from being able to live and work in the City. A commitment to supporting local residential construction workers and apprenticeship programs can bridge the gap between economic opportunities and suitable housing options in Santa Clara City.

Local 405 has implemented many programs that will enable the City to meet the General Plan and Housing Element goals. These programs include a robust Joint Apprenticeship Training Committee, vigorous utilization of apprentices in Santa Clara City, healthcare coverage for all members and their families, and innovation within the construction industry.

Joint Apprenticeship Training Committees (JATC's), such as the Carpenters Training Committee for Northern California (CTCNC), are a proven method of career training built around a strong partnership between employers, training programs and the government. This tripartite system is financially beneficial not only for the apprentice, but is a major benefit for the employer and the overall economy of Santa Clara City. The CTCNC monitors current market conditions and adjusts the workflow of apprentices to meet the needs of the community, heading off any shortage of skilled workers. History has demonstrated that strong utilization of apprentices throughout the private sector helped California builders produce millions of units of housing.

CTCNC recruitment strategies include robust diversity and inclusionary outreach programs, such as pre-apprenticeship, with proven results in representative workplaces and strong local economies. It is imperative that our underserved populations have supportive and effective pathways to viable construction careers, while ensuring that employers are able to find and develop the best and brightest talent needed to thrive in a competitive economy.

Employer-paid health insurance plans for our members and their families provides preventative services to stay healthy and prevent serious illness. Timely care reduces the fiscal burden for our members and their families, and significantly reduces the utilization of safety-net programs administered by Santa Clara City and Santa Clara County.

Embracing new technologies and delivery systems will have a significant impact on the construction industry, particularly the residential sector. Increasing housing delivery methods reduces project durations and provides Santa Clara City residents housing sooner. Local 405 is at the forefront of ensuring that new construction technologies deliver those benefits while also creating work opportunities for those already in the trades as well as those looking to begin a construction career.

Local 405 is in a unique position to address many of the key ideas outline in Santa Clara City Housing Element Update. By investing in the training and utilization of apprentices, performing

⁴ United States Census Bureau: OnTheMap (Inflow/Outflow Job Counts for Santa Clara County in 2019-latest available data)

⁵ Page 13.3-3: Draft Santa Clara City Housing Element (2023-2031)



HOUSING ELEMENT

outreach to ensure that the workforce closely mirrors the demographics of our local community, providing employer-paid healthcare for our members and their families, and promoting innovation in the residential construction sector, Local 405 is prepared to assist in closing the affordability gap in Santa Clara City and the Bay Area. We look forward to engaging City staff and elected leaders as the Housing Element moves forward and working cooperatively to bridge the needs of the City with the skills and tools of Local 405.

Thank you for your time and consideration of these comments.

Sincerely,

A handwritten signature in blue ink that reads "Samuel Munoz".

Samuel Munoz
Senior Field Representative
Carpenters Local 405

CC:

planning@santacalaraca.gov

planning.commission@pln.sccgov.org

FIGURE 9: FORMAL COMMENT LETTER: HOUSING ACTION COALITION



THOMAS B. MAYHEW
tmayhew@fbm.com
D 415.954.4948

November 30, 2022

Via E-mail

John Davidson
Principal Planner
E-Mail: JDavidson@SantaClaraCA.gov

Re: City of Santa Clara Draft Housing Element
Comments of Housing Action Coalition

Dear Mr. Davidson:

On behalf of the Housing Action Coalition,¹ we write to comment on the draft 2023-2031 Housing Element for the City of Santa Clara.

The draft Housing Element does not meet the City's obligation to plan and provide for affordable housing. Absent substantial revisions, it may be found in violation of state law.

A. The City Includes Sites That Are Not "Suitable And Available," Because They Do Not Have A "Realistic And Demonstrated Potential" For Redevelopment During The Planning Period To Meet The Need For Housing.

One of the most concrete aspects of any housing element is the inventory of land "suitable and available" for residential development to meet the city's regional housing need by income level. Government Code § 65583(a)(3); HCD Housing Element Site Inventory Guidebook at p. 1 (HAC Appendix Tab 1). The list is a specific means of evaluating whether the City has adequately planned for development of housing for all income levels, and to identify how much land will need to be rezoned to make it possible to provide for the housing needs of the community as it grows. Where nonvacant sites are listed, there must be a "realistic and demonstrated potential for redevelopment" during the next eight years. Government Code § 65583(a)(3). Where nonvacant sites are not zoned for residential development, the City must rezone them within a specified timeframe. *Id.* § 65583.2(a), 65583(c).

¹ The Housing Action Coalition is a nonprofit that advocates for building more homes at all levels of affordability to alleviate the Bay Area and California's housing shortage, displacement, and affordability crisis.

Russ Building • 235 Montgomery Street • San Francisco, CA 94104 • T 415.954.4400 • F 415.954.4480

SAN FRANCISCO ST. HELENA www.fbm.com



HOUSING ELEMENT

John Davidson
November 30, 2022
Page 2



To address past abuses – including cities listing unrealistic sites – the California Legislature created a high standard for listing nonvacant sites, particularly where a city claims that the site is suitable and available for redevelopment as housing affordable to those with below average incomes. Where nonvacant sites are used to address over 50% of the need for affordable housing for those with lower incomes, the City must show the realistic and demonstrated potential for redevelopment by making formal findings that the existing use does not impede residential development “based on substantial evidence that the use is likely to be discontinued” during the planning period. Government Code § 65583.2(g)(2) (final sentence).

The current draft does not meet the requirement that it identify sufficient sites that are realistic, suitable and available. The City relies heavily on the speculative and unlikely assumption that existing uses of buildings in Santa Clara by the technology industry will cease during the next eight years, with research facilities and data centers being torn down to construct affordable housing. It relies on sites too small for practical development by affordable housing developers, and even lists a fire station that it has no plans to move. It also fails to address the fact that many of the sites are being re-listed, because they were not developed or approved for housing during the last eight years, without a commitment to rezone them for “by right” approval.

1. The Six Data Center Sites Are Not Likely To Be Redeveloped As Housing During The Next Eight Years.

(APN 216-33-033, 216-33-045, 216-33-025, 097-46-015, 104-04-076, and 104-04-077)

Several sites on the site inventory– those located at 2960 Corvin, 2970-3000 Corvin, 3030 Corvin, 5101 Lafayette, 4650 Old Ironsides, and 4700 Old Ironsides – are currently used as large-scale data centers.² Santa Clara is a favored location for data centers because its municipal electric utility provides power at less expensive rates than PG&E, and because its location in Silicon Valley reduces signal transmission times between the data center customer and the data center. See HAC Appendix Tab 2 (“In particular, Santa Clara has become the valley’s principal data center hub . . . The municipal utility, Silicon Valley Power, offers slightly lower rates in Santa Clara than its competitor, PG&E, and this has attracted numerous data center developers.”); HAC Appendix Tab 3. Santa Clara’s optimal location and utility rates make it

² The sites were listed on the August 22, 2022 draft of the inventory using APN numbers 216-33-033, 216-33-045, 216-33-025, 097-46-015, 104-04-076, and 104-04-077. The current use was not identified, which if not corrected in the final draft would violate Government Code section 65583.2(b)(3). We note that the use of APN numbers throughout the housing inventory, without also stating the address and current use, makes it considerably more difficult for state reviewers and the public to see what the City plans, and to comment on its feasibility. Including both the current use and the evidence of why the current use is expected to be discontinued are required by state law, and we hope that the City will address this issue in the next draft by adding all of the required information.

John Davidson
November 30, 2022
Page 3



particularly unlikely that an existing data center will stop operations and sell to an affordable housing developer for construction of low income housing.

Indeed, each of these data centers were the subject of relatively recent, high dollar acquisitions. The sites were not acquired by residential developers as would be expected if the property were soon to be developed for housing, but by data center operators, making it unrealistic to conclude that they will be demolished during the next eight years to build affordable housing:

- 4650 Old Ironsides (APN 104-04-077) is a 124,400 square foot, two story data center, and was acquired by Menlo Equities in September 2021 for \$35.8 million. Menlo Equities focuses on acquiring data centers and describes the acquisition on their website as “Property is situated in a strong infill location that is the most desirable data center submarket in Silicon Valley.” HAC Appendix Tab 4.
- The property next door, 4700 Old Ironsides (APN 104-04-076), was also acquired by Menlo Equities in September 2021. It is a 90,100 square foot data center, and was acquired for \$28 million. A partner with Menlo Equities was quoted as explaining that the purpose of the acquisition was “because of the increase in the demand for data.” HAC Appendix Tab 5.³
- The data center at 5101 Lafayette (APN 097-46-015) was acquired in November 2016 for \$12.8 million. HAC Appendix Tab 6. The purchaser bought it to continue its use as a data center; the acquirer was a telecommunications provider, (HAC Appendix Tab 7), and it has been used as a data center in the six years since then, with no proposal for redevelopment as housing. The purchaser described their intention for the property as: “We have long targeted Northern California as an expansion opportunity for our zColo data center business.”; “The quality and high-power density of this facility is perfectly matched to the requirements of our leading-edge, Bay Area customers.” HAC Appendix Tab 6.

Notably, this data center was on Santa Clara’s 2015-2023 Housing Element, and despite the Tasman East Specific Plan, the property was acquired during the last Housing Element period for continued use as a data center, not for redevelopment as housing. Four parcels bordering it were combined for the 2300 Calle De Luna project by housing developer Related, but Related was apparently unable to acquire 5101 Lafayette to square off the project site, as would ordinarily be expected if the site were available for residential development.

³ As recently as September 2022, the Santa Clara building department approved re-roofing 4700 Old Ironsides for its existing commercial use, with a project cost of \$150,000. Santa Clara Building Permit Number BLD22-66735.



HOUSING ELEMENT

John Davidson
November 30, 2022
Page 4



- The data centers at 2960 Corvin, 2970 Corvin, 3000 Corvin, and 3030 Corvin (APN 216-33-033, 216-33-045, 216-33-025) were also included in the 2015-2023 Housing Element, and were not redeveloped. They were instead sold in a transaction that continues their existing use, even after the 2016 rezoning of the Lawrence Station area. In May 2017, data center company Equinix acquired them as part of a \$3.6 billion acquisition of a number of data centers. See HAC Appendix Tab 3. The president for the Americas at Equinix explained that the acquisitions in Santa Clara were an attractive part of the package, given the high cost to construct new data centers in Silicon Valley.

The planning department is undoubtedly familiar with the continuing intention to use this site as a data center; there have been a number of planning projects involving installation of additional power systems and energy servers at 2960 Corvin and 2970 Corvin, filed in 2021 and still pending. See Santa Clara Planning Department Record Numbers PLN2021-14844, PLN2021-14845, CEQ2021-01085 and -01086.

Under state housing law, when nonvacant sites are used to meet over 50% of the need for affordable housing – as is the case with Santa Clara’s draft Housing Element – the city must meet a high standard: nonvacant sites are presumed under the law to impede residential development, and the City cannot rely on them without finding, based on substantial evidence, that the property is *likely* to become housing in the next eight years. Government Code § 65583.2(g)(2) (final sentence). Particularly given the recent acquisitions of the data centers by data center companies, and their declared business plans to use them as data centers rather than to re-sell them for development of affordable housing, Santa Clara lacks substantial evidence that these properties will meet the affordable housing needs of the next eight years, and cannot credibly conclude that it is “likely” that the data centers will stop operations. They do not count towards the City’s obligation to plan for very low and low income housing development.

Without these six data center sites, the City’s Housing Element is inadequate because it does not identify sufficient sites to meet the projected regional housing need for very low and low income housing. The draft Housing Element relies heavily on the unsuitable and unavailable data center sites to create the impression that it will meet the housing needs of those who can least afford housing:

APN/Address	Very Low	Low	Moderate
2960 Corvin APN 216-33-033	22	12	12
2970-3000 Corvin APN 216-33-045	79	39	39
3030 Corvin APN 216-33-025	25	13	13
5101 Lafayette APN 097-46-015	71	35	35
4650 Ironsides	390	195	195

John Davidson
November 30, 2022
Page 5



APN 104-04-077			
4700 Ironsides APN 104-04-076	326	164	164
Totals:	913	458	458

See Draft Housing Element 8/22/22 at tables 13.6-9, 13.6-10, and 13.6-11. Without these sites, the City's claimed "RHNA Surplus" becomes a deficit:

	Very Low	Low	Moderate
Claimed Inventory ⁴	3,592	1,972	2,781
Data Centers Not Appropriately Included in Inventory	(913)	(458)	(458)
Total Without Data Centers	2,679	1,514	2,323
RHNA Requirement	2,872	1,653	1,981
RHNA (Deficit)/Surplus	(193)	(139)	342 surplus

See draft at Table 13.6-5. The final Housing Element will need to identify additional, realistic sites for very low and low income housing in order to meet the requirements of state law.

2. The Gemini Rosemont Technology Park Is Not Likely To Be Redeveloped As Affordable Housing During The Next Eight Years

(APN 216-34-079, -083, -084, and -085)

Next, we address four other parcels from the inventory in the Lawrence Station area: APN 216-34-079, -083,⁵ -084, and -085. These parcels are currently used as a research and development office park, under long term leases to Affymetrix (a subsidiary of Thermo Fisher), Cloudinary, Nissan North America, and Intuitive Surgical.

⁴ Based on combination of "Approved and Proposed Projects," "Total ADU Projections," and "Total Capacity – Specific Plan Sites" in table 13.6-5.

⁵ To avoid confusion, note that -083 is listed twice on the inventory (second, and ninth, on the Lawrence Station table 13.6-10), with the acreage split between "high density residential" and "very high density residential."



HOUSING ELEMENT

John Davidson
November 30, 2022
Page 6



As of the time of the passage of the Lawrence Station Area Plan in November 2016, there had been no proposal by the then-owner of these four parcels, Sobrato Organization, to develop any of them as residential. As the plan itself stated, “To date, this entity has not submitted a proposal for development; therefore, commencement of development of these properties is expected to occur subsequent to the proposals described in phase one.” LSAP at section 11.4.⁶

Indeed, six years later, there still has been no proposal for redevelopment of these sites as housing. To the contrary, until 2019 Sobrato continued to lease out the space as a research and development office park, and spent nearly \$62 million on renovations. HAC Appendix Tab 8. In 2018, Sobrato entered into a new ten year lease with Nissan North America for an expansion of their Northern California technology research, and a six year lease with Cloudfinarya.⁷ In early 2019, shortly before selling the property, Sobrato entered into a long-term lease for 210,000 square feet to Intuitive Surgical. See HAC Appendix Tab 8.

In May 2019, three of the parcels – APN 216-34-083, -084, and -085 – were then sold for a whopping \$170.52 million to Gemini Rosemont.⁸ Gemini Rosemont shows no intention of redeveloping the properties as residential housing. To the contrary, in announcing the deal, its CEO explained that this was an office sector acquisition: “We’re entering the next phase of our multi-pronged initiative to acquire Class A assets in the office sector in targeted, tech-centric coastal and gateway markets, and opportunistically in select target markets across the U.S.,” said Ian Brownlow, chief executive officer for Gemini Rosemont at the time of the company’s relocation. “We will leverage our deep market knowledge and our impressive 25-year track record to identify and acquire those office buildings in which we can unlock value, provide superior tenant services and deliver enhanced returns to our investors.”

Meanwhile, tenant improvements continue to be made, even after the Sobrato sale to Gemini Rosemont. See, e.g., BLD21-63262 (building permit for an estimated \$300,000 of tenant improvements on the second floor of a 5,733 square foot space at 3410 Central Expressway). These are not dilapidated properties where the existing use is about to be discontinued; this is a vibrant and modern research and technology park where the tenants plan to remain.

In light of the current owner’s expressed commitment to the office sector, the long-term leases with technology tenants headquartered in Santa Clara, the tens of millions of dollars recently spent on renovations, and the lack of any indication during the last eight years that anyone wants to redevelop the property as residential, the City cannot credibly claim that there is “substantial evidence” that the property is “likely” to be redeveloped for housing. This property is not going to meet the needs of those with very low, low, and moderate incomes for housing over the next eight years, and should not be counted as likely to meet the RHNA need.

The City’s inventory indicates that it expects the technology park to supply 497 very low income, 249 low income, and 249 moderate income affordable units. The City will need to add

⁶ The Lawrence Station Area Plan, as approved, is at HAC Appendix Tab 9.

⁷ See HAC Appendix Tab 10, Tab 11.

⁸ See HAC Appendix Tab 8; see also Assessor Records at HAC Appendix Tab 12, 13, 14.

John Davidson
November 30, 2022
Page 7



additional inventory to meet the needs for affordable housing on sites that are realistic, suitable, and available to meet the need in these categories.

3. The Pearlman/Himy Office Buildings At 4633, 4655, 4677, and 4699 Old Ironsides Are Not Likely To Be Redeveloped As Affordable Housing.

(APN 104-04-138, -139, -140, and -141)

The four four-story office buildings between Old Ironsides and Great America Parkway at the addresses 4633, 4655, 4677, and 4699 Old Ironsides – parcels numbered 104-04-138, -139, -140, and -141, owned by Pearlman/Himy – should not be considered “likely” to be redeveloped for affordable housing during the next eight years. During the Patrick Henry Drive Specific Plan planning process, the owner of those sites specifically asked for a zoning designation that would authorize building of completely non-residential uses: taller office buildings. The City acceded to this request by creating a new zoning designation, “High Density Flex.”

By claiming that the properties have been rezoned so that it is theoretically possible to build housing on these four parcels, the City attempts to claim credit for meeting a large portion of its RHNA obligation: together, these parcels are claimed to meet the need for 286 “very low” income units, 144 low income units, and 144 units affordable for those with moderate income. As with other nonvacant sites, the City has the burden of citing substantial evidence that the property is “likely” to be used for housing. Here, the owner expressed a desire for “flexibility” – rejecting the City’s initial proposal of housing-only zoning, and requesting creation of a special zoning designation that would allow the owner to build no housing at all. Indeed, at the owner’s request, the Environmental Impact Report studied an alternative referred to as “Maximum Office.” The City’s study of “Maximum Office” alternative applies only to these parcels, since the other parcels in the Patrick Henry Drive Specific Plan area are zoned for residential with only first floor retail/office allowed. Given the strong signals from Pearlman/Himy that it does not have a current intention of building housing on these four parcels, the City does not meet the requirement of showing that it is “likely” that the property will be redeveloped for affordable housing during the next eight years. Meanwhile, the existing use also includes tenants with long-term leases, but the City has done nothing to analyze or investigate when these leases expire, whether the leases contain renewal rights, or whether the existing use would otherwise be an obstacle to the building of housing during the 2023-2031 period.⁹

Indeed, the City’s draft Housing Element effectively concedes the City’s doubt that the Pearlman/Himy properties will be developed as housing during the 2023-2031 period. If the Pearlman/Himy sites are developed as high density offices – and there is every indication that they will be – the City promises that six months after the approval of the office development, it will *then* identify adequate sites for housing development. This seems to be an ordinary

⁹ In fact, publicly available information shows that the four office buildings continue to be marketed for office leases. HAC Appendix Tab 15. The owner continues to sign new office leases, including during 2022. HAC Appendix Tab 16 and 17.



HOUSING ELEMENT

John Davidson
November 30, 2022
Page 9



43,560 square feet, and 0.5 acres is 21,780 square feet. County records show that these parcels are in fact smaller than 0.5 acres:¹¹

Address/APN	Recorded Size (Assessor Database)	Computed Size (Santa Clara County GIS)
2346 Calle Del Mundo APN 097-46-003	20,038 sq. ft	20,042 sq. ft.
2338 Calle Del Mundo APN 097-46-004	19,602 sq. ft	19,509 sq. ft
2330 Calle Del Mundo APN 097-46-005	20,038 sq. ft	20,042 sq. ft
2322 Calle Del Mundo APN 097-46-006	20,038 sq. ft	20,046 sq. ft
2301 Calle De Luna APN 097-46-007	20,038 sq. ft	20,002 sq. ft
2309 Calle De Luna APN 097-46-008	20,038 sq. ft	20,003 sq. ft
2317 Calle De Luna APN 097-46-009	20,038 sq. ft	19,706 sq. ft
2325 Calle De Luna APN 097-46-010	20,473 sq. ft	21,662 sq. ft
2272 Calle De Luna APN 097-46-025	21,344 sq. ft	21,064 sq. ft
2262 Calle De Luna APN 097-46-026	21,344 sq. ft	21,880 ^{*12} sq. ft

Indeed, the City's own 2015-2023 Housing Element, which listed these same sites, described most of them (all but -025 and -026) as either 0.45 acres or 0.46 acres. *See* 2015-2023 Housing Element at table 8.12-6-4.

Parcels like these, which are smaller than 0.5 acres, cannot be used as part of the site inventory to satisfy the "very low" and "low" categories without a concrete showing, based on prior experience, of why it is realistic to expect that it will be developed for low income housing. The City's Housing Element contains no proof that affordable housing has successfully been

¹¹ This information is available on the County of Santa Clara GIS map online, available at <https://ges.sccgov.org/discovergis/sccmap>; the square footage is available by clicking on the individual parcel, then choosing "Show Planning's Property Profile" to obtain this publicly available information from the Santa Clara County Department of Planning and Development.

¹² Note, the GIS Computed Size shows that -026 is slightly larger than 0.5 acres. In order to include it, the city would need to determine, as part of the Housing Element, that the County GIS system is more accurate than the county assessor's official records, which reflect that the property is smaller than 0.5 acres.

John Davidson
November 30, 2022
Page 10



developed on sites of this size. The city's RHNA "surplus" is thus overstated by 142 very low, 70 low, and 70 moderate affordable units (and as explained above, is actually a deficit). The City should identify additional sites that are likely to be redeveloped as housing in the next eight years, and which are suitable as sites for affordable housing.

5. The City Has Inappropriately Listed Other Sites As Well.

(1) 3011 Corvin (APN 216-33-021).

Santa Clara City Fire Department Station # 9 serves the Lawrence Station area of the city. It is located at 3011 Corvin Drive. The parcel number is 216-33-021. The City has listed it on its housing inventory, and claims that it will meet part of the RHNA need, because it could be used to build 12 units of affordable housing for those with moderate incomes. However, as far as we are aware, the City has no present intention of selling this property or developing it for affordable housing. Indeed, the Lawrence Station Specific Plan shows that the City intends that the fire station will remain as a public use. The City also listed this parcel on the 2015-2023 Housing Element inventory, and took no steps to make it available for housing. It is not likely to be used for housing in the next eight years, given its existing use. It should be removed, or at least excluded from the totals. This will also help avoid it being used incorrectly as a buffer as part of any "no net loss" analysis during the 2023-2031 period.

(2) 2343 Calle Del Mundo (APN 097-05-111).

Parcel 097-05-111 in the Tasman East area appears to be part of the 2343 Calle Del Mundo project by Summerhill. The rest of the 2343 Calle Del Mundo project site is not listed in the site inventory, presumably because it is already under construction. The City may wish to reevaluate its designation of -111 based on the apparent common ownership with parcel 097-05-110. It should probably be removed, or at least excluded, to avoid being used as part of a "no net loss" analysis during the 2023-2031 period.

B. The Extensive Re-Use Of Sites Requires A New "Use By Right" Zoning Overlay.

In Government Code section 65583.2(c), nonvacant land listed in a prior housing element but not approved for development must be rezoned within three years so that any housing development in which at least 20 percent of the units are affordable to lower income households is entitled to "residential use by right." (i.e., no requirement for conditional use permit, planned development permit, or other discretionary local government review). This would prevent subjective and discretionary permit processes – for example, "architectural review" – from being used to block housing projects that provide affordable housing.

The draft Housing Element for 2023-2031 lists nonvacant land listed in a prior housing element but not approved for development: All of the Tasman East sites on the draft for 2023-2031 were already used on the site inventory for 2015-2023, and all of the Lawrence Station sites on the draft for 2023-2031 were already used on the site inventory for 2015-2023. *Compare*



HOUSING ELEMENT

John Davidson
November 30, 2022
Page 11



2015-2023 Housing Element at tables 8.12-6-4 and 8.12-6-5 *with* draft 2023-2031 Housing Element at tables 13.6-9 and 13.6-10. Under section 65583.2(c), the City is therefore required to implement a program to rezone all of these sites by no later than three years from the adoption of the element, to permit “use by right” for housing developments if 20% of the units are affordable to low or very low income residents.

The City is aware of this requirement, but tries to argue around it, at page 13.6-7 of the draft, titled “Re-Use of Sites.” The City argues that because it rezoned the Tasman East and Lawrence Station sites during the 2015-2023 cycle for a higher density to conform to the General Plan, it can count the sites as “new” for purposes of the 2023-2031 cycle, and ignore that they were identified in a prior housing element. The argument will not hold up in court. The statute unambiguously states that if the site is nonvacant, was “identified” in a prior housing element, and was not approved for development, it “shall not be deemed adequate to accommodate a portion of the housing need for lower incomes households . . .” unless rezoned in the new housing element for “use by right.”

Nor does the City’s “rezoning for higher density” argument fit the facts: The sites were rezoned as part of a Government Code section 65583(c) program (albeit late, as explained in the next section). Indeed, if they had not been rezoned, the city otherwise had a shortfall of sites to address the 2015-2023 RHNA. Moreover, some of them are zoned at the exact same density stated in the 2015-2023 Housing Element. *See, e.g.,* APN 216-33-037.

If the City does not wish to implement a “use by right” overlay, it should remove the Tasman East and Lawrence Station sites from the inventory; almost all of them are being (re-)used to satisfy the very low and low income needs that they were designated to meet in the last Housing Element, and in the absence of a “use by right” rezoning, they do not meet the criteria under 65583.2(c) for being re-used.

C. The City Must Address The Unaccommodated Need From The 2015 Regional Housing Needs Allocation.

The City also failed to implement fully its 2015-2023 Housing Element. The consequence of its failure is that it must address both the unaccommodated 2015-2023 need and the new 2023-2031 need.

Where a city fails to implement a housing element, the unaccommodated need must be quickly accommodated during the next period. Government Code § 65584.09(a). Here, Santa Clara failed to timely implement what it promised in its 2015 Housing Element. The unaccommodated need from that period – the failure to provide adequate sites for lower income housing – carries over, and the city cannot use the same sites to meet both the 2015 need and the 2023 need.

We start with a description of the City’s failure to make available adequate sites to accommodate the regional need identified in 2014. In the 2015-2023 Housing Element, the City stated that it believed the housing need could be accommodated on sites in the El Camino Real,

John Davidson
November 30, 2022
Page 12



Tasman East, and Lawrence Station “focus areas”: areas that the City’s general plan projected as suitable for rezoning as medium or high density residential, or mixed use, but which were not yet zoned to permit residential development. The Tasman East focus area and Lawrence Station focus area were zoned light industrial. The El Camino Real sites were zoned “thoroughfare commercial” or “community commercial”: zoning that did not permit residential construction. No one could build housing on any of the sites in the inventory without rezoning.

Under 65583.02(a), the inventory can only include sites that are (1) vacant and zoned for residential use, (2) vacant and zoned to allow residential development, (3) residentially zoned and capable of being developed at a higher density, or (4) “zoned for nonresidential use that can be redeveloped for residential use, and for which the housing element includes a program to rezone the site, as necessary, to permit residential use . . .” The 2015 inventory was valid, if at all, because of a planned program to rezone all of the sites on the list under 65583.2(a)(4) and 65583(c).

A program to rezone sites to make them available is governed in part by Government Code section 65583(c)(1). That subsection required the City to “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 . . . share of the regional housing need for each income level that could not be accommodated on sites in the inventory . . . without rezoning . . .” Under 65583(c), the City was required to “set forth a schedule of actions during the planning period, each with a timeline for implementation . . . such that there will be beneficial impacts of the programs within the planning period . . .”

The City’s 2015-2023 Housing Element explained how it would comply with the law: it would engage in a comprehensive rezoning of the entire city to conform with the general plan, “to bring consistency between the Zoning Ordinance and the General Plan, implementing the General Plan goals by facilitating mixed use development and higher density residential development, protecting existing neighborhoods, and incentivizing redevelopment by appropriate development standards and streamlined procedures.” The City stated that it would complete this action by mid-2016. *See* 2015-2023 Housing Element at pp. 8.12-122 – 8.12-123 (“Action 6: Zoning Ordinance”).

The mid-2016 deadline was important; the action needed to be scheduled “such that there will be beneficial impacts of the programs within the planning period,” and also kept the plan for rezoning on track to take place within the required three years. Government Code § 65583(c)(1)(A). Housing could not be constructed unless it were approved; housing would face more hurdles to approval until the rezoning took place; and so removing the obstacle of light industrial or commercial district zoning needed to take place early in the planning period to provide developers the ability to propose and proceed with housing built to meet the needs during the 2015-2023 time period.

By mid-2016, the City still had not completed the comprehensive rezoning that it identified as Action 6. The City blamed problems with its outside consultant for not completing



HOUSING ELEMENT

John Davidson
November 30, 2022
Page 13



it in 2016, and promised it would be done in 2017. But even then, it didn't complete it. The draft was finally circulated for public comment in summer 2022 – while the City was working on the 2023 Housing Element – and won't be voted on by the City Council until sometime in 2023. The draft 2023-2031 Housing Element acknowledges that Action 6 is incomplete, and now lists the comprehensive zoning ordinance update as Action 9 in the new plan: "expected to be completed in late 2022/early 2023" See 2023-2031 draft Housing Element see p. 13.7-5 ("The City is continuing to work on the comprehensive Zoning Ordinance Update"); and p. 13.2-10 ("Action 9: Zoning Ordinance"); see also p. 13.1-1 ("Additionally, the City is nearing completion of a comprehensive Zoning Code update which will further streamline processes with the inclusion of objective standards and new zoning districts that better align with the City's General Plan."); p. 13.2-4.

The City thus did not implement the 2015 Housing Element, and did not rezone, as promised, the sites listed in its 2015-2023 inventory. While the City listed 158 parcels along El Camino Real in its 2015-2023 plan as having the ability to satisfy the housing needs of the community, it left the commercial district zoning in place for the entire 2014-2022 period. To this day, anyone wanting to build housing on most of those parcels (excluding the few that went through the City's discretionary process for a rezoning) needs to apply for a zoning variance, contrary to state law which required not just an expectation of potential rezoning to match the general plan, but actual implementation of the Housing Element by the City. Meanwhile, the City planning staff proposed a rezoning of these sites repeatedly as part of the El Camino Real Specific Plan, but the City Council still has not taken action, and has deferred further discussion. The program actions in the 2015-2023 Housing Element to rezone or provide adequate sites were thus not fully implemented.

Having failed to implement the rezoning as required by state housing law and promised in the 2015-2023 Housing Element to take place by mid-2016, the City is now subject to section 65584.09, which provides:

[I]f a city or county in the prior planning period failed to identify or make available adequate sites to accommodate that portion of the regional housing need allocated pursuant to Section 65584, then the city or county shall, within the first year of the planning period of the new housing element, zone or rezone adequate sites to accommodate the unaccommodated portion of the regional housing need allocation from the prior planning period.

Santa Clara easily accommodated the need for above-moderate income housing during the 2015-2023 period: it issued building permits for 4,606 units. It appears to have accommodated the 2015-2023 need for moderate income housing, at least if project approvals, rather than actually constructed units, are counted. But it fell seriously short for the "very low" and "low" income categories. The City granted building permits for only 289 "very low" income units, 246 low income units, and 125 units affordable to those with moderate incomes. This leaves a substantial shortfall to be addressed from the last period, in addition to the substantial new need for the new period.

John Davidson
November 30, 2022
Page 15



Approvals of Affordable Housing: 1601 Civic Center	106	
Unaccommodated Portion Of 2015-2023 RHNA:	358	236

In determining the affordable housing requirements for its 2023-2031 Housing Element, the City is not allowed to use the same sites or projects to count toward both the 2015-2023 need and the 2023-2031 need. It must instead plan for both the unaccommodated need and the newly allocated need. *See* Government Code § 65584.09(b). This means that the City's analysis at page 13.6-2 is flawed because it engages in double-counting: the City is claiming that the building permits and approvals from 2015-2023 accommodated a portion of the housing need for that period *and* that the same building permits and approvals from 2015-2023 address the newly allocated need for 2023-2031.

Again, the City's failure to follow through on its 2015 Housing Element has a consequence: the City is now obliged to meet the unaccommodated need from the 2015-2022 period as well as the regional need identified for the 2023-2031 period. Adequate sites must be rezoned within one year to address this unaccommodated portion of the 2015-2023 RHNA need.

the calculation itself using the information available to it; this calculation should be viewed as illustrative.



HOUSING ELEMENT

John Davidson
November 30, 2022
Page 16



D. Conclusion: The City's Site Inventory Needs A Program To Rezone Many More Suitable And Available Sites To Accommodate Its Share Of The Regional Need.

A recap of the issues above, in chart form:

	Very Low	Low	Moderate
Draft Inventory ¹⁷	3,592	1,972	2,781
Data Centers	-913	-458	-458
Gemini Rosemont Technology Park	-497	-249	-249
Sites Smaller Than 0.5 Acres	-142	-70	
4633, 4655, 4677, 4699 Old Ironsides	-286	-144	-144
Fire Station # 9 and Tasman Parcel -011			-35
Total Inventory Without Invalid Sites	1,754	1,051	1,895
RHNA Need for Affordable Housing	2,872	1,653	1,981
+ Unaccommodated Need from 2015-2023	+ 358	+ 236	
= Required Need For Affordable Housing In 2023-2031 Housing Element	= 3,230	= 1,889	1,981
Additional Rezoning Required	1,476	838	86

In addition, the City needs to add a plan to rezone the remaining Tasman East and Lawrence Station properties for residential "use by right" for any housing development proposing 20% affordable units, or find additional sites to cover an additional shortfall.

The City is not without potential solutions: the Planning Department has already prepared a specific plan for El Camino Real that would rezone a large number of sites that may be suitable for housing (this would have included, for example, the 100% affordable housing project at 1601 Civic Center Drive, which would not have then required rezoning after a contentious and years-long process).

¹⁷ Based on combination of "Approved and Proposed Projects," "Total ADU Projections," and "Total Capacity – Specific Plan Sites" in table 13.6-5.

John Davidson
November 30, 2022
Page 17



Looking at sites elsewhere in the City would also help address the requirement, noted in SV@Home's comment, to affirmatively further fair housing. The City's concentration of site inventory in the industrial parks on the furthest boundaries of the city, far away from the better resourced schools and parks of residential Santa Clara south of El Camino Real, appears to violate this obligation, and we hope that the next draft of the site inventory will show a greater dispersal of proposed housing sites.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'TBM', is written over the typed name 'Thomas B. Mayhew'. The signature is stylized and fluid.

Thomas B. Mayhew

TBM:tb
3661515158787.1



SANTA CLARA

HOUSING ELEMENT

FIGURE 10: FORMAL COMMENT LETTER: HOUSING ACTION COALITION



THOMAS R. MAYHEW
tmayhew@fbm.com
D 415.954.4948

CHARLES J. HIGLEY
cjhigley@fbm.com
D 415.954.4942

January 22, 2023

Via E-mail

Santa Clara City Council and
Santa Clara Planning Commission
1500 Warburton Avenue
Santa Clara CA 95050

MayorAndCouncil@santacalaraca.gov
PlanningCommission@santacalaraca.gov

Re: City of Santa Clara Draft Housing Element
Comments of Housing Action Coalition

Dear Mayor, Vice Mayor, Members of the City Council, and Planning Commissioners:

On behalf of the Housing Action Coalition,¹ we write to provide comments on the most recent draft of the 2023-2031 Housing Element for the City of Santa Clara.

The current draft does not comply with state law. Among other problems, it overstates the inventory of realistic and available sites to meet Santa Clara's fair share of the regional need, particularly for lower income units, in two significant ways. First, the draft continues to include sites that are not vacant without proof that the existing use is likely to discontinue during the next eight years. Second, the draft overestimates the development potential, by selective use of data and a miscalculation of the average densities developed. The draft also fails to take constraints into account such as the rezoning of portions of certain parcels as open space/parks or public right-of-way, which would preclude developing housing on that portion. For these and other reasons described below and in our earlier letter, the draft does not comply with state law. The Planning Commission should not recommend it to the City Council, and the City Council should not adopt it. The Council should instead direct staff to revise it by identifying additional realistic and available sites to include on the inventory, geographically dispersed throughout the City, comply with the site inventory requirements and the legal duty to affirmatively further fair housing.

¹ The Housing Action Coalition is a nonprofit that advocates for building more homes at all levels of affordability to alleviate the Bay Area and California's housing shortage, displacement, and affordability crisis.

These comments supplement the earlier comment letter on behalf of Housing Action Coalition dated November 30, 2022.

Russ Building • 235 Montgomery Street • San Francisco, CA 94104 • T 415.954.4400 • F 415.954.4480

SAN FRANCISCO ST. HELENA www.fbm.com



HOUSING ELEMENT

Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 2



A. The City Includes Sites That Are Not “Suitable And Available,” And Do Not Have A “Realistic And Demonstrated Potential” For Redevelopment During The Planning Period To Meet The Need For Housing.

The City Council is called upon to make a special finding before adopting the Housing Element, and to do so based on evidence. Where, as here, the City claims that lower-income housing will be accommodated by sites that are currently used for other purposes, the City must “demonstrate that the existing use . . . does not constitute an impediment to additional residential development *during the period covered by the housing element.*” And most significantly, state law requires a specific set of findings:

An existing use shall be presumed to impede additional residential development, absent findings based on substantial evidence that the use is likely to be discontinued during the planning period.

Government Code § 65583.2(g)(2). The Council should therefore ask itself, for each and every site on the inventory: What is the existing use? And what is the evidence that the use is likely to be discontinued during the next eight years?

HCD has provided helpful guidance of what kinds of evidence the City Council should look for:

Examples of substantial evidence that an existing use will likely be discontinued in the current planning period include, but are not limited to:

- The lease for the existing use expires early within the planning period,
- The building is dilapidated, and the structure is likely to be removed, or a demolition permit has been issued for the existing uses,
- There is a development agreement that exists to develop the site within the planning period,
- The entity operating the existing use has agreed to move to another location early enough within the planning period to allow residential development within the planning period,
- The property owner provides a letter stating its intention to develop the property with residences during the planning period.”

HCD further explained:

[N]onvacant sites with differing existing uses and lacking in common ownership, whether contiguous or located in the same general area, may not rely on a generalized analysis. While the sites may be located in an area with common economic issues, individual owners may not wish to sell their property or redevelop their site with residential uses. In addition, each site’s existing use,

e.g., grocery store, retail shop, parking lot, and offices, may have lease agreements of different lengths of time or the owner may not wish to relocate or redevelop the site with a more intensive residential use. In this type of situation, use of the same findings for the multiple sites would not be appropriate.

HCD Site Inventory Guidebook (May 2020) at pp. 27-28.

Unfortunately, the current draft of the Housing Element does not meet any of the standards explained by HCD for the sites on the inventory:

- There are leases that extend well into the planning period.
- There are buildings that are not dilapidated, and in fact, some of them have been significantly remodeled and improved within the last ten or even five years.
- There are no demolition permits for existing uses.
- There are no development agreements for any site on the inventory.
- None of the existing uses have agreed to move to other locations early enough within the planning period to allow residential development within the planning period.
- The draft does not indicate that property owners have provided letters stating their intention to develop the property with residences during the planning period.
- The only analysis provided is generalized: that all of the properties are in areas that have been rezoned – in the case of Lawrence Station and Tasman East, many years ago – and others have chosen to develop their properties because of market demand.
- There are different owners and different uses; there are lease agreements with different lengths of time.
- There is no evidence presented that the owners wish to relocate or redevelop the sites with a more intensive residential use.

The lack of evidence or analysis on a site-by-site basis dooms the draft Housing Element; it does not comply with the law because the City Council lacks proof that existing uses are likely to discontinue at each of the sites on the inventory.

To illustrate this point further, we describe four specific examples to show that the City has failed to comply with its obligations under Government Code section 65583.2(c) and (g)(1) and (2) to analyze the evidence and determine which sites are realistic and likely to redevelop. The City Council should not sign off on findings that are not based on substantial evidence.



Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 4



1. The Gemini Rosemont Technology Park Is Not Likely To Be Redeveloped As Affordable Housing During The Next Eight Years

(APN 216-34-079, -083, -084, and -085)

In the heart of the Lawrence Station Area Plan is a set of parcels – APN 216-34-079, -083,² -084, and -085 – currently used as a research and development office park, under long term leases to Affymetrix (a subsidiary of Thermo Fisher), Cloudinary, Nissan North America, and Intuitive Surgical. Under Government Code section 65583.2(g)(1), the Housing Element is required to engage in an “analysis of any existing leases or other contracts that would perpetuate the existing use or prevent redevelopment of the site . . .” Despite this legal requirement, the draft does not mention, much less analyze, the existing leases.

As of the time of the passage of the Lawrence Station Area Plan in November 2016, there had been no proposal by the then-owner of these four parcels, Sobrato Organization, to develop any of them as residential. As the plan itself stated, “To date, this entity has not submitted a proposal for development; therefore, commencement of development of these properties is expected to occur subsequent to the proposals described in phase one.” LSAP at section 11.4.³

Indeed, over six years later, there still has been no plan for redevelopment of these sites as housing. To the contrary, until 2019 Sobrato continued to lease out the space as a research and development office park, and spent nearly \$62 million on renovations shortly before the sale. HAC Appendix Tab 8. In 2018, Sobrato entered into a new ten-year lease with Nissan North America for an expansion of their Northern California technology research, and a six-year lease with Cloudinary.⁴ In early 2019, shortly before selling the property, Sobrato entered into a long-term lease for 210,000 square feet with Intuitive Surgical. *See* HAC Appendix Tab 8.

In May 2019, three of the parcels – APN 216-34-083, -084, and -085 – were then sold for a whopping \$170.52 million to Gemini Rosemont.⁵ Gemini Rosemont shows no intention of redeveloping the properties as residential housing, and its tenants Nissan, Cloudinary, Intuitive Surgical, and Affymetrix show no signs of relocating. To the contrary, in announcing the deal, Gemini Rosemont’s CEO explained that this was an office sector acquisition: “We’re entering the next phase of our multi-pronged initiative to acquire Class A assets in the office sector in targeted, tech-centric coastal and gateway markets, and opportunistically in select target markets across the U.S.,” said Ian Brownlow, chief executive officer for Gemini Rosemont at the time of the company’s relocation. “We will leverage our deep market knowledge and our impressive 25-

² To avoid confusion, note that -083 was listed twice on the inventory submitted to HCD (second, and ninth, on the Lawrence Station table 13.6-10), with the acreage split between “high density residential” and “very high density residential.”

³ The Lawrence Station Area Plan, as approved, is at HAC Appendix Tab 9.

⁴ *See* HAC Appendix Tab 10, Tab 11.

⁵ *See* HAC Appendix Tab 8; *see also* Assessor Records at HAC Appendix Tab 12, 13, 14.

year track record to identify and acquire those office buildings in which we can unlock value, provide superior tenant services and deliver enhanced returns to our investors.”

Meanwhile, tenant improvements continue to be made, even after the Sobrato sale to Gemini Rosemont. *See, e.g.*, BLD21-63262 (building permit for an estimated \$300,000 of tenant improvements on the second floor of a 5,733 square foot space at 3410 Central Expressway). These are not dilapidated properties where the existing use is about to be discontinued; this is a vibrant and modern research and technology park where the tenants plan to remain. The assertion at page 13.6-18 of the Adoption Draft that “No recent, significant enhancements have been made to these sites” is simply not true of the Gemini Rosemont Technology Office Park, where \$62+ million in renovations has taken place during the last five years. Site-by-site analysis, rather than blanket assertions, is required to comply with Government Code section 65583.2(g)(2), but the City does not show that it has done so here.

In light of the current owner’s expressed commitment to the office sector rather than redevelopment, the long-term leases with technology tenants headquartered in Santa Clara, the tens of millions of dollars recently spent on renovations, the lack of any indication during the last eight years that the owner wants to redevelop the property as residential, and the lack of any current information showing that the owner intends to evict the tenants before the end of the housing cycle and build housing on these parcels, the City Council cannot make a finding based on “substantial evidence” that the existing use is “likely” to discontinue. This property is not likely to meet the needs for 1,743 units of housing affordable to those with very low, low, and moderate incomes for housing over the next eight years, and should not be counted as such on the site inventory.

2. The Pearlman/Himy Office Buildings At 4633, 4655, 4677, and 4699 Old Ironsides Are Not Likely To Be Redeveloped As Affordable Housing.

(APN 104-04-138, -139, -140, and -141)

The four four-story office buildings between Old Ironsides and Great America Parkway at the addresses 4633, 4655, 4677, and 4699 Old Ironsides—parcels numbered 104-04-138, -139, -140, and -141, owned by Pearlman/Himy—should not be considered “likely” to be redeveloped for affordable housing during the next eight years. During the Patrick Henry Drive Specific Plan planning process, unlike the other owners responding to the Specific Plan proposal, the owner of those sites specifically asked for a zoning designation that would authorize building of completely non-residential uses: taller office buildings. The City acceded to this request by creating a new zoning designation, “High Density Flex.”

By claiming that the properties have been rezoned so that it is theoretically possible to build housing on these four parcels, the City attempts to claim credit for meeting a large portion of its RHNA obligation: Together, these parcels are claimed to meet the need for 1,025 units affordable to those in the very low-, low-, and moderate-income categories. As with other



HOUSING ELEMENT

Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 6



nonvacant sites, the City has the burden of citing substantial evidence that the property is “likely” to be used for housing.

Here, the owner expressed a desire for “flexibility” – rejecting the City’s initial proposal of housing-only zoning, and requesting creation of a special zoning designation that would allow the owner to build no housing at all. Indeed, at the owner’s request, the Environmental Impact Report then studied an alternative referred to as “Maximum Office.” The City’s study of “Maximum Office” alternative applies only to these parcels, since the other parcels in the Patrick Henry Drive Specific Plan area are zoned for residential development with only first floor retail/office allowed. Given the strong signals from Pearlman/Himy that it does not have a current commitment to building housing on these four parcels, the City does not meet the requirement of showing that it is “likely” that the property will be redeveloped for affordable housing during the next eight years. Claiming that redevelopment is likely to occur simply because the property has been rezoned to permit residential development, in the face of an owner request to rezone to permit a higher density office use, lacks substantial evidence.

Meanwhile, the existing use also includes tenants with long-term leases, but the City has done nothing to analyze or investigate when these leases expire, whether the leases contain renewal rights, or whether the existing use would otherwise be an obstacle to the building of housing during the 2023-2031 period.⁶ This fails to meet the City’s obligation under Government Code section 65583.2(g)(1).

Indeed, the City’s draft Housing Element effectively concedes the City’s doubt that the Pearlman/Himy properties will be developed as housing during the 2023-2031 period. If the Pearlman/Himy sites are developed as high-density offices – and there is every indication that they will be – the City promises that six months after the approval of the office development, it will *then* identify adequate sites for housing development. This seems to be an ordinary application of the no net loss rule, but the Planning Department describes it as the plan for this set of parcels alone. Instead of identifying adequate, available sites, the City includes the Pearlman/Himy sites despite the owner’s uncertain intention so it can check the box on affordable housing, and asks those who need housing now to “wait and see.” Affordable housing can’t wait while the City uses the Pearlman/Himy sites as a placeholder.⁷ The City cannot make

⁶ In fact, publicly available information shows that the four office buildings continue to be marketed for office leases, and new tenants continue to move in. *See* HAC Appendix Tabs 15-18. Indeed, in the less-than-two months since our November comment letter, it appears that four office spaces in these buildings that were on the market have recently been leased. *Compare* HAC Appendix Tab 15 with new HAC Appendix Tab 18 (attached) (Suites 230 and 355 in 4655 Old Ironsides, and Suites 304 and 438 in 4699 Old Ironsides, marketed for lease in November 2022 but not in January 2023).

⁷ The City is already seriously behind in meeting its fair share of the regional need. While it promised in 2014 to rewrite its outdated zoning law by 2016, the process dragged on for years

Santa Clara City Council and
 Santa Clara Planning Commission
 January 22, 2023
 Page 7



the required findings and should not count the office buildings at 4633, 4655, 4677, and 4699 as meeting the need for suitable and available housing sites.

3. National Instruments Silicon Valley Headquarters Is Not Likely To Be Redeveloped As Affordable Housing In The Next Eight Years.

(APN 104-04-122)

In May 2013, Drawbridge Realty acquired 4600 Patrick Henry Drive, a 50,000 square foot Class A office building on 3.2 acres, at APN 104-04-122. Based on its website, Drawbridge Realty specializes exclusively in commercial and office leases, and does not develop residential projects. HAC Appendix Tab 19.

The long-term occupant at 4600 Patrick Henry was already in place when Drawbridge bought the property: The site is the Silicon Valley headquarters of National Instruments. National Instruments was formerly known as Texas Instruments (which acquired long-time Santa Clara semiconductor company National Semiconductor). The property was fully remodeled, inside and out, less than ten years ago. *See HAC Appendix Tab 20 (showing photos; describing “Complete interior, exterior, and site renovations completed in May 2013”).*



The draft Housing Element does not contain any information about the lease between National Instruments and Drawbridge, or about whether National Instruments intends to continue occupancy on Patrick Henry. This is not a dilapidated building; it was completely renovated less than ten years ago. Rezoning and hoping for redevelopment does not satisfy Government Code section 65583.2(g)(1) or (g)(2). Pointing to redevelopment of other sites by residential developers doesn't show that this particular site's existing use is “likely to discontinue” during the next eight years. Absent substantial evidence that the existing use is likely to discontinue, the National Instruments facility should not be listed as meeting the need for very low- and low-income housing.

and, eight years later, is still incomplete. The City was supposed to plan for 1,745 low and very low income units during the last eight years; instead, only 535 actually obtained a building permit.



Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 8



4. Great America Technology Park.

(APN 104-53-1, -2, -3, -4, -5, -6, -7, -8, -9, -10, -11, -12, -13, -14, -15, -16, -17, -18, -19, -20, -21, -22, -23, -24, -25, -26, and -27)

At 4701 Patrick Henry Drive is a large office park that has been subdivided into 27 separate parcels, known as the Great America Technology Park. Separate buildings include a range of uses from technology companies to law firms to non-profit organizations. The City does not analyze each parcel, or the uses on each, as required by Government Code section 65583.2(g)(1).

The earlier draft submitted to HCD correctly showed, at Figure 13.6-7, that there was a large number of smaller parcels, as a result of earlier subdivision. We have included the parcel map from the Santa Clara County Assessor's Office, which shows that there are 27 parcels: 26 individual buildings, each with its own parcel number, plus a 27th parcel consisting of the Swiss-cheese common area surface parking lot that surrounds parcels APN 104-53-1 through -26. See HAC Appendix Tab 21.

In the Adoption Draft at Figure 13.6-5, parcel 104-53-016 is shown as a very large, single parcel. This is incorrect. As the parcel map shows, 104-53-016 is Parcel 24 in the sequence, and consists of just 3,408 square feet. By listing a single 3,408 square foot building parcel as covering 9+ acres, the draft seriously errs in providing information for the City Council to make an informed decision about the likelihood that the 26 buildings, each with their own business occupants, owners, and uses, will somehow coordinate and jointly develop their properties, and the common area, during the next eight years. It can be difficult for two adjacent owners to work together to combine parcels and pursue a joint development. Absent substantial evidence that the 27 parcels here have been united under common ownership and/or have a joint plan to cease all office/commercial uses in favor of residential development during the next eight years, this set of parcels should not be included in the site inventory, because the existing uses are presumed to continue and are an impediment to residential use. Government Code § 65583.2(g)(2).

B. The Density Calculations Overstate The Extent To Which The Existing Site Inventory Satisfies The RHNA Need.

Government Code section 65583.2(c) regulates how the number of housing units accommodated on each site is determined:

The inventory shall specify for each site the number of units that can realistically be accommodated on that site and whether the site is adequate to accommodate lower-income housing, moderate-income housing, or above moderate-income housing. . . . The city or county shall determine the number of housing units that can be accommodated on each site as follows:

(1) If local law or regulations require the development of a site at a minimum density, the department shall accept the planning agency's calculation of the total housing unit capacity on that site based on the established minimum density. If the city or county does not adopt a law or regulation requiring the development of a site at a minimum density, then it shall demonstrate how the number of units determined for that site pursuant to this subdivision will be accommodated.

(2) The number of units calculated pursuant to paragraph (1) shall be adjusted as necessary, based on the land use controls and site improvements requirement identified in paragraph (5) of subdivision (a) of Section 65583, the realistic development capacity for the site, typical densities of existing or approved residential developments at a similar affordability level in that jurisdiction, and on the current or planned availability and accessibility of sufficient water, sewer, and dry utilities. . . .

(3) For the number of units calculated to accommodate its share of the regional housing need for lower income households pursuant to paragraph (2), a city or county shall do either of the following:

(A) Provide an analysis demonstrating how the adopted densities accommodate this need. The analysis shall include, but is not limited to, factors such as market demand, financial feasibility, or information based on development project experience within a zone or zones that provide housing for lower income households.

(B) The following densities shall be deemed appropriate to accommodate housing for lower income households:

(i) For an incorporated city within a nonmetropolitan county and for a nonmetropolitan county that has a micropolitan area: sites allowing at least 15 units per acre.

(ii) For an unincorporated area in a nonmetropolitan county not included in clause (i): sites allowing at least 10 units per acre.

(iii) For a suburban jurisdiction: sites allowing at least 20 units per acre.

(iv) For a jurisdiction in a metropolitan county: sites allowing at least 30 units per acre.

Government Code § 65583.2(c)(1), (2) and (3). The draft fails to comply with this statute.



Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 10



1. The Site Inventory Is Insufficient Based On Minimum Densities.

In the draft presented to and reviewed by HCD, the City relied on minimum densities as showing the capacity for each site. However, a number of large sites have now been removed from the inventory in response to earlier comments by HCD and others, including Housing Action Coalition. The total capacity of the inventory calculated at minimum density is 4,860, rather than the 7,810 claimed.

Notably, the statute arguably requires use of the minimum densities for cities that have them. Under section 65583.2(c)(1), “If local law or regulations require the development of a site at a minimum density, [HCD] shall accept the planning agency’s calculation . . . based on the established minimum density.” HCD is not given discretion to accept an alternative calculation. The remainder of section 65583.2(c)(1) explains that “If the city or county *does not* adopt a law or regulation requiring the development of a site at a minimum density, then it shall demonstrate how the number of units determined for that site pursuant to this subdivision will be accommodated.” (emphasis added). Because Santa Clara law *does* require minimum densities, the calculation is governed by the first sentence, not the second. While HCD appears to interpret the statute as if it presents two options, the statutory text requires use of the minimum densities based on the zoning laws in effect in Santa Clara. If the statutory text is applied as written, the draft Housing Element fails to list sufficient inventory to meet the regional need.

2. The Site Inventory Is Insufficient Based On Santa Clara’s Own Methodology.

The draft Housing Element discusses the “realistic capacity” calculation – the methodology the City uses to estimate the number of units that each parcel will accommodate for purposes of meeting the RHNA requirements – at pages 13.6-7 through 13.6-10. The draft says it calculates the “realistic capacity” by multiplying the parcel size by the minimum zoned density, and then multiplying by the “average,” for existing and approved projects, of the percent by which each project in a particular Specific Plan exceeded minimum density. The “average” for Lawrence Station Area is claimed to be 191%; the “average” for Tasman East Focus Area Specific Plan is claimed to be 215%; the “average” for the Patrick Henry Focus Area Specific Plan is claimed to be 119%.

A major problem with the draft is that in calculating the “average,” the draft excluded nearly half of the sites that should have been on the list. An average requires looking at all the data; only by listing all of the projects in each Specific Plan area can a true average be calculated. Here’s a complete list of “very high density” projects developed in the Lawrence

Station Area, indicating in ***bold and italics*** the ones that were missing from Table 13.6-3:

Project Name	Min. density [du/ac]	Acres	Units	Actual density [du/ac]	% of minimum density [column 5 divided by column 2]
2904 Corvin	51 du/ac	1.08	145	134 du/ac	134/51 = 263%
<i>2961 Corvin</i>	<i>51 du/ac</i>	<i>1.69</i>	<i>38</i>	<i>22.49</i>	<i>22.49/51 = 44%</i>
<i>3305 Kifer</i>	<i>51 du/ac</i>	<i>0.94</i>	<i>45</i>	<i>47.87</i>	<i>47.87/51 = 94%</i>
3560 Rambla	51 du/ac	2.49	251	100 du/ac	100/51 = 196%
3578 Rambla	51 du/ac	1.72	126	73 du/ac	73/51 = 143%
<i>3580 Rambla</i>	<i>51 du/ac</i>	<i>2.58</i>	<i>286</i>	<i>110.85</i>	<i>110.85/51 = 217%</i>
3517 Ryder	51 du/ac	3.92	328	83 du/ac	83/51 = 163%
				ACTUAL AVERAGE:	160%

The same error of omission was made in calculating the Tasman East “average”; by ignoring half of the data for the Specific Plan area, the draft makes the average appear higher than it actually is:

Project Name	Min./max. density [du/ac]	Acres	Units	Units/Acres	% of minimum density [column 5 divided by column 2]
2233 Calle Del Mundo	100-350	1.22	196	160	160%
2200 Calle Del Mundo	100-350	2.44	580	237	237%
2300 Calle De Luna	100-350	<i>5.52⁸</i>	700	<i>127</i>	<i>127%</i>
2343 Calle Del Mundo	100-350	2.63	347	131	131%
2302/2310 Calle Del Mundo	60-350	0.77	151	196	327%
<i>2354 Calle Del Mundo</i>	<i>60-350</i>	<i>0.50</i>	<i>89</i>	<i>178</i>	<i>297%</i>
<i>5123 Calle Del Sol</i>	<i>100-350</i>	<i>2.62</i>	<i>503</i>	<i>192</i>	<i>192%</i>
<i>5185 Lafayette</i>	<i>100 to 350</i>	<i>1.12</i>	<i>271</i>	<i>242</i>	<i>242%</i>
<i>2263 Calle Del Mundo</i>	<i>100 to 350</i>	<i>1.95</i>	<i>301</i>	<i>154</i>	<i>154%</i>

⁸ On the City’s chart, this is listed as 5.02, which appears to be a typo. The City Planning Department project listing lists it as 5.52, as does the County Assessor’s parcel map. We have corrected the other calculations accordingly.



HOUSING ELEMENT

Santa Clara City Council and
Santa Clara Planning Commission

January 22, 2023

Page 12



<i>2101 Tasman Dr.</i>	<i>100 to 350</i>	<i>9.03</i>	<i>950</i>	<i>105</i>	<i>105%</i>
<i>2354 Calle Del Mundo</i>	<i>60 to 350</i>	<i>0.46</i>	<i>89</i>	<i>193</i>	<i>322%</i>
<i>2225 Calle De Luna & 2232 Calle Del Mundo</i>	<i>100 to 350</i>	<i>2.1</i>	<i>371</i>	<i>183</i>	<i>183%</i>
				ACTUAL AVERAGE:	206%

If applying the “average” by Specific Plan area is indeed the proper way to calculate density as the draft argues, then for Lawrence Station the average is 160% of the minimum density, not 191%; for Tasman East, the average is 206%, not 215%.⁹ For Tasman East, the difference reduces the unit count by 43 units; for Lawrence Station, where the average was more skewed and more acreage is on the inventory, it has a bigger impact: 448 units.

This leaves the Patrick Henry area, where we cannot create a chart, because there is no valid data at all. The single proposed project (Pactron/Summerhill) listed on table 13.6-3 for the Patrick Henry area does not show an average or typical density of an existing or approved project. It does not show what even a single builder has succeeded in building at the listed percentage-of-minimum density. The statute directs that “typical densities of existing or approved residential developments at a similar affordability level in that jurisdiction” is the relevant data set; a single proposed but-not-yet-approved project, and a market-rate one at that, doesn’t meet the minimum test for consideration, because it is neither “typical” nor “existing or approved.” Government Code § 65583.2(c)(2). This rule makes good sense: A proposed project may not be approved or ever built, and so has not been tested by the real world to determine if it reflects the “realistic” capacity¹⁰; City staff may not even have reviewed it for compliance with Santa Clara zoning laws. Meanwhile, “typical” requires more than a handful, and certainly more than one. Because no housing has been built in the Patrick Henry area at all, the City lacks data on which to argue that the statutory directive of applying minimum density based on densities should be ignored or adjusted based on real-world experience. Meanwhile, the City’s calculations fail to account for the possibility that future projects may include commercial or office uses, even though several of the Patrick Henry zoning categories provide

⁹ We also note that at Tasman East, many of the projects included in the average were approved or built before the change in the zoning to allow nonresidential uses on the second and third floors. This increase in the ability to have nonresidential uses may substantially impact the construction mix going forward, which the City has failed to account for.

¹⁰ See Government Code § 65583(a)(3) (requiring a site inventory to show the “realistic and demonstrated potential for redevelopment”); § 65583.2(c) (“The inventory shall specify for each site the number of units that can realistically be accommodated . . .”); § 65583.2(c)(2)(C) (“A site may be presumed to be realistic for development to accommodate lower income housing if, at the time of the adoption of the housing element, a development affordable to lower income households has been proposed *and approved* for development on that site.”) (emphasis added).

this potential. The City should use the minimum densities as the fail-safe for this area of the City, where no housing has yet been built at all.¹¹

3. The Site Inventory Is Insufficient Based On Typical Densities For Highly Affordable Housing Projects.

If a city uses the minimum density under section 65583.2(c)(1), it can also treat the site as appropriate to develop at that minimum density for lower income housing under section 65583.2(c)(3), which provides that sites with a zoned density of at least 30 units/acre are considered adequate for lower income housing. But if the city does not use the minimum density, as the latest draft now proposes, it must differentiate between market-rate and affordable housing projects in developing a realistic estimate. Here, the City's draft is seriously flawed, because it relies almost exclusively on market-rate, rather than affordable, housing projects in calculating the capacity of the inventory.

Section 65583.2(c)(2) was amended in 2017 (AB 1397) to emphasize that "typical densities" are not sufficient; the relevant evidence from which to make a capacity calculation higher than minimum is by comparison to "typical densities of existing or approved residential developments *at a similar affordability level in that jurisdiction.*" *See also* Government Code § 65583(a)(3) (requiring that sites have a "realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level.").

A market-rate developer may be able to afford to build 300 units on 2.51 acres, or even 800 units on 6.5 acres, as Sares Regis proposes to do at Patrick Henry. But it is well-recognized that a 100% affordable income development generally cannot afford a project of this magnitude. As the HCD Site Inventory Guidebook explains:

To achieve financial feasibility, many assisted housing developments using state or federal resources are between 50 to 150 units. Parcels that are too small may not support the number of units necessary to be competitive and to access scarce

¹¹ The drafters also made a last-minute change in the creation of Appendix B (the site inventory), claiming that the Patrick Henry area densities should be calculated based on a 72% "percentage of maximum" instead of a 119% "percentage of minimum." This seemingly minor change makes a big difference – about 728 units – but the current draft of the Housing Element does not "demonstrate" why it is valid or realistic, as required. Government Code § 65583.2(c). The draft of the Housing Element had said that a 119% "percentage of minimum" should be used. Only the Appendix B site inventory, which was not circulated until after 5 p.m. on Friday January 20, 2023 – the last business day before the Planning Commission hearing – shows the new methodology. Note also that in the Tasman East area, with arguably the most similar zoning rules to Patrick Henry, the average "percentage of maximum" based on built and approved market-rate projects is only 50%, further casting doubt on the "72% of maximum" claim for Patrick Henry.



HOUSING ELEMENT

Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 14



funding resources. Parcels that are large may require very large projects, which may lead to an over concentration of affordable housing in one location, or may add cost to a project by requiring a developer to purchase more land than is needed, or render a project ineligible for funding.

HCD Site Inventory Guidebook (May 2020) at p. 15. These limitations are why the Legislature provided in AB 1397 that sites smaller than 0.5 acres, or larger than 10 acres, are usually ineligible, absent a specific evidentiary showing, to accommodate the need for lower income housing. *Id.*; Government Code § 65583.2(c)(2)(A) and (B). Indeed, the same law that added section 65583.2(c)(2)(A) and (B) also added the “similar affordability level” language to subsection (c)(2); the Legislature simultaneously added several provisions to ensure that site inventories realistically evaluate whether affordable housing will be produced. AB 1397 (Stats. 2017 ch. 375).

In order to depart from the minimum density, the draft would therefore need to show not just that market-rate projects can achieve higher-than-minimum densities like the 160% average in Lawrence Station, or 206% average in Tasman East, but that “typical densities” for a 100% affordable housing project do so as well, including at the very high densities projected for these sites.

Santa Clara’s draft fails to make this required showing. Of the projects on Table 13.6-3, or even the longer list discussed in the previous section, there is only one project that can be described as having a “similar” level of affordable housing (i.e., 100% affordable): the 1.08 acre project at 2904 Corvin. That project fits the general range of size for affordable housing – at 163 affordable units, it is close to the 50-150 unit range discussed by HCD. But it is one-of-a-kind: the first supportive housing in the City, heavily subsidized, and the only affordable housing project built in any of the three Specific Plan areas. One-of-a-kind is not “typical.”

The remaining site inventory in Tasman East, Lawrence Station, and Patrick Henry is projected to meet the needs for very low-, low-, and moderate-incomes (*see* p. 13.6-10, splitting the capacity 33.33 percent each to very low-, low- and moderate-incomes). Yet the data to support the claimed densities is based exclusively on market-rate projects that did not have this mix of affordability. In the Tasman East area, table 13.6-2 shows that of eleven projects, building 4,459 units of housing, the number of units of very low- and low-income housing accommodated is: zero. This shows that there are not “typical densities of existing or approved residential developments at a similar level of affordability” for this area. As stated above, there has been no housing built or approved in the Patrick Henry area at all; there is no “typical” market-rate project there, much less a typical density for a project with the level of affordability calculated by the inventory.

If Santa Clara wants to estimate a realistic production of affordable housing in the Tasman East, Lawrence Station, and Patrick Henry areas, where large, high density market-rate projects are being built, then it should estimate how much lower-income housing will be built

there based on the actual data.¹² That data shows that housing affordable to those in the very low-, low-, and moderate-income categories is produced at a rate somewhat less than the 12% inclusionary housing mandate under city law. (Which, notably, leads mostly to inclusion of moderate units and no very low- or low-income units for a large number of projects, *see* Table 13.6-2 (Pending and Approved Projects)). The draft fails to make a showing sufficient to satisfy section 65583.2(c), as amended by AB 1397. The real data shows that the current site inventory will never achieve the claimed production of affordable housing that Santa Clara presents in the Housing Element, or that is necessary to accommodate the needs of the community.

The solution is to determine the realistic capacity of the new high-density neighborhoods by projecting market-rate projects with their typical complement of affordable units, and then to supplement it with smaller, geographically dispersed sites to accommodate the remainder of the very low-, low-, and moderate-income need on sites that are realistic in scale and density for affordable housing projects. The City's experience shows that affordable housing developers build within a half-mile of grocery stores and that they build projects in the range of 50-150 units. Building in the Patrick Henry area, for example, satisfies neither of these – the area is currently a food desert (more than one mile to a grocery store) – and the parcel size and minimum density exceeds anything that is realistic and demonstrated for a project with 100% affordable housing.¹³ The City has numerous other opportunities for places where affordable housing developers could realistically build housing, e.g., along El Camino Real, or Stevens Creek Boulevard – if only the City would commit to rezoning to allow housing to be built there. Affordable housing developers should not have to run a years-long gauntlet of seeking special permission to build housing on realistic, underutilized sites, as was done with the Catholic Charities project at 1601 Civic Center. Adequate, available, realistic sites should be rezoned throughout the city to make it possible to realistically build the required amount of housing affordable to all income levels during the next eight years.

¹² If the City instead wants to rely on statutory presumptions like the “deemed adequate” statutory rule of section 65583.2(c)(3) to claim that these sites can be used for lower income housing, it should limit itself to the minimum densities that state law compels HCD to accept. The City's planners may know that even the minimum densities are not realistic for the largest sites (given that the size of the projects substantially exceeds what affordable developers actually build), but they would be able to rely on the statutory presumption, rather than speculative and unrealistic math.

¹³ For example, the projections that the need for 972 units of housing affordable to those with very low, low, or moderate incomes will be met by a project at 4701 Patrick Henry Drive, a 687-unit 100% affordable housing project at 3055 Patrick Henry, or a 664-unit 100% affordable housing project at 3350 Central Expressway, is simply not realistic. The City's experience with affordable projects matches well the HCD guidance about projects of 50-150 units.



Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 16



C. Land Zoned As Parks And Roads Is Not Available For Housing, And Should Be Removed From The Site Inventory.

Santa Clara's Specific Plan process has had significant success in beginning to create new vibrant neighborhoods for housing in the city. As part of the Specific Plan process, industrial parks were rezoned as high-density residential. However, portions of each Specific Plan area were not zoned as residential, but instead were zoned as either public right of way or for open space/parks. These portions cannot be included on the site inventory, and the portions of the parcels that are zoned non-residential should not be counted towards the realistic capacity. See Government Code § 65583.2(a); 65583.2(c).¹⁴

The Lawrence Station Area Plan zoned a strip of land running east-west across the district for parkland, running along what is now named Feliz Road. Part of that park has been built on the portion of the area that has developed as housing: a basketball court between La Rambla and Copper, and the Nuevo Community Garden between Copper and Pancoast. At Pancoast – the edge of the office/R&D park owned by Gemini/Rosemont (see below) – the park and Feliz Road end. Under the zoning laws of Santa Clara, however, if the Gemini/Rosemont owned parcels do end up being developed, the portion zoned as a public right of way (the continuation of Feliz Road) and parkland will not be housing. By failing to deduct the portion of the site that has been zoned as a new public right of way, and as open space/park, Santa Clara overstates the acreage available for development. While the City may have better information on this, based on our rough measurement, it would appear that approximately 2.33 acres of parcels 216-34-084 and -085 are zoned for “public right of way” or “Parks/Open Space” based on the Lawrence Station Area Plan.

The Patrick Henry Specific Plan likewise has zoned a substantial amount of open space/parkland, and new public roadways, to support the development of this neighborhood. While some of these plans may not come to fruition – the two data centers on parcels APN 104-04-076 and -077 will likely not be developed as housing in the next eight years, and the City is unlikely to “take” the land from the data center parcels for a park as shown on the Specific Plan – but other parcels on the inventory do include portions that were zoned “Open Space” (shown in

¹⁴ Under Government Code section 65583.2(a), site inventory can include only (1) vacant sites zoned residential, (2) vacant sites zoned for nonresidential but where residential development is permitted, (3) residentially zoned sites that are capable of being developed at a higher density, or (4) sites that can be redeveloped as residential where there is a plan to rezone the site for residential use. Land zoned as open space, or as a public right-of-way, does not fall under any of these categories because under residential construction is not allowed.

A different way of reaching the same result is that the land not zoned as residential is not properly included in the buildable area of the parcel, affecting the realistic capacity calculation. See Government Code § 65583.2(c)(2) (requiring adjustment of the number of units based on “land use controls”).

green on page 13.6-26). It thus appears that the following parcels should be adjusted on the inventory based on the portion zoned for residential use, as opposed to the portion zoned "Open Space" or where a new public roadway is indicated. While the City has better and more precise information, and is required to perform this analysis under section 65583.2(c)(2) as part of developing a realistic capacity estimate considering site constraints such as zoning laws, we offer the following estimate based on examination of Figure 13.6-4, and the provided scale, to illustrate that this issue materially affects the acreage available for residential housing:

APN	Gross Acreage	Open Space and Right of Way Zoning	Estimated Net Acreage Zoned Residential
104-04-124	4.7 ac	2.32 acres open space	2.38
104-04-128	2.5 ac	0.36 acres open space	2.14
104-04-094, -095	2.0 2.5	1.12 acres open space	3.38
104-04-131	3.8	0.96 acres public right-of-way	3.14
104-53-016	9.06 ¹⁵	2.17 acres open space and public right-of-way	5.12
104-04-136	3.8	1.42 acres open space and public right-of-way	2.6
104-04-138	1.7	1.12 acres open space ¹⁶	0.58
TOTALS	30.06	9.47 acres open space or public right of way	20.59

For the Tasman East Specific Plan, the zoning situation is the murkiest. No zoning map was drawn showing where the open space/parks will go. Instead, the Specific Plan shows circles with the desired acreage of parkland, 5 acres in all, and describes that each zone of the Specific

¹⁵ For purposes of this argument, we will analyze the 27 parcels of the Great America Technology Park as if they were a single parcel with APN 104-53-016, as shown on Figure 13.6-5. As stated above, there are in fact 27 different parcels, and parcel APN 104-53-016 is only 3,800 square feet. See section A.4 above.

¹⁶ The 1.12 acres of open space on this parcel are contingently zoned. If this parcel, zoned "High Density Flex" is developed for nonresidential use (i.e., a higher density office site), then the open space zoning does not apply. The zoning map indicates that the open space requirement only applies if the parcel is developed as high density residential. See * on figure 13.6-4 ("*Public parkland only required with residential development."). Because this argument assumes that the site is properly included on the inventory (*but see* section A.2 above, explaining why it should not be), the parkland requirement would need to be taken into account in evaluating the acreage available for residential development.



HOUSING ELEMENT

Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 18



Plan is required to dedicate a certain acreage to parkland. *See* Draft Housing Element at Figure 13.6-2 (page 13.6-23); Tasman East Specific Plan at section 03.7 (p. 34).¹⁷ It also shows two public rights-of-way being added, one going north in the vicinity of APN 097-05-058,¹⁸ and the other going south to Tasman Drive across APN 097-05-056. The City does not explain (1) how much of the acreage on the inventory will be devoted to open space and park uses, instead of residential, or (2) how much a 100% affordable housing developer would need to pay the City to avoid this requirement. Assuming that the parkland constraint is in-kind, as the Specific Plan contemplates, then the remaining acreage would need to contribute approximately one acre,¹⁹ instead of developing them for residential use.

In total, the open space/park zoning and public right-of-way zoning reduces considerably the inventory of (nonvacant) land available for residential development, and sharply reduces the number of units.

¹⁷ The Tasman East Specific Plan, as amended through 12/22/20, is available here:
<https://www.santaclaraca.gov/home/showpublisheddocument/72208/637503896853000000>

¹⁸ Here, Figure 13.6-2 would appear to imply that approved project 097-05-059 has dedicated land providing half of the roadway, and that 097-05-058 will be expected to contribute the other half, since the gap between them is approximately half the width of the other streets shown.

¹⁹ This is a very rough estimate: It essentially takes the 1-acre parkland obligation of the “Center District” and treats it as the joint responsibility of all remaining sites. It assumes that the proposed projects have correctly accounted for their share of the parkland dedication obligation, such that their projects comply with City law, even though they have not yet been approved. If this assumption is incorrect, it would show a further problem with the Housing Element: an uncritical acceptance of a project proposal as reflecting a realistic estimate of capacity. The point here remains that it is the City’s obligation to analyze these constraints, not the public’s. Government Code § 65583.2(c)(2). The estimates we provide here are only to illustrate the significance of the issue to the Housing Element as a whole.

Summarizing the impact of the above discussion by using the same methodology applied in Appendix B:

Specific Plan	Acreage reduction for Parks/Right-of-Ways (Nonresidential Zoning)	Estimate of Units To Be Removed From Site Inventory Due To Non-Residential Zoning ²⁰
Lawrence Station	2.33 acres	227 units
Tasman East	~1 acre	215 units
Patrick Henry	9.47 acres	1,084 units
TOTAL		1,526 units to be removed in very low-, low-, and moderate-income categories

There are two solutions, one good and one awful. The good solution is to take the portion of the parcels zoned for parkland/open space or public rights-of-way off the inventory by reducing the acreage claimed on the inventory, to re-do the capacity math, and then to identify other places in the City that can realistically be redeveloped as affordable housing either based on existing zoning or on a plan to rezone. The awful one is amend the Specific Plans, rezone the open space and the street of these parcels as residential housing, and thwart all of the good land use planning work that the City did in adopting the Specific Plans to create livable neighborhoods from industrial parks. We urge the City to remove from the site inventory the claim that residential uses will be built on the open space and public right-of-way portions of the Tasman East, Lawrence Station, and Patrick Henry Specific Plans.

D. The Extensive Re-Use Of Sites Requires A New “Use By Right” Zoning Overlay.

In Government Code section 65583.2(c), nonvacant land listed in a prior housing element but not approved for development must be rezoned within three years so that any housing development in which at least 20 percent of the units are affordable to lower income households is entitled to “residential use by right.” (i.e., no requirement for conditional use permit, planned development permit, or other discretionary local government review). This would prevent subjective and discretionary permit processes – for example, subjective standards for “architectural review” – from being used to block housing projects that provide affordable housing.

The draft Housing Element for 2023-2031 lists nonvacant land listed in a prior housing element but not approved for development: All of the Tasman East sites on the draft for 2023-

²⁰ For purposes of this chart, we assume that the City’s projected densities – at 191% of the minimum for Lawrence Station, 215% of the minimum for Tasman East, or 72% of the maximum for Patrick Henry – are valid. *But see* section B above.



Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 20



2031 were already used on the site inventory for 2015-2023, and all of the Lawrence Station sites on the draft for 2023-2031 were already used on the site inventory for 2015-2023. *Compare* 2015-2023 Housing Element at tables 8.12-6-4 and 8.12-6-5 with draft 2023-2031 Housing Element at tables 13.6-9 and 13.6-10. Under section 65583.2(c), the City is therefore required to implement a program to rezone all of these sites by no later than three years from the adoption of the element, to permit “use by right” for housing developments if 20% of the units are affordable to low or very low income residents.

The City is aware of this requirement, but tries to argue around it, at page 13.6-12 to 13.6-13 of the draft, titled “Re-Use of Sites.” The City argues that because it rezoned the Tasman East and Lawrence Station sites during the 2015-2023 cycle for a higher density to conform to the General Plan, it can count the sites as “new” for purposes of the 2023-2031 cycle, and ignore that they were identified in a prior housing element. The argument will not hold up in court. The statute unambiguously states that if the site is nonvacant, was “identified” in a prior housing element, and was not approved for development, it “shall not be deemed adequate to accommodate a portion of the housing need for lower incomes households . . .” unless rezoned in the new housing element for “use by right.”

Nor does the City’s “rezoning for higher density” argument fit the facts: The sites were rezoned as part of a Government Code section 65583(c) program (albeit late, as explained in the next section). Indeed, if they had not been rezoned, the city would have had a shortfall of sites to address the 2015-2023 RHNA. Moreover, some of them are zoned at the exact same density stated in the 2015-2023 Housing Element. *See, e.g.,* APN 216-33-037.

If the City does not wish to implement a “use by right” overlay, it should remove the Tasman East and Lawrence Station sites from the inventory; almost all of them are being (re-)used to satisfy the very low and low income needs that they were designated to meet in the last Housing Element, and in the absence of a “use by right” rezoning, they do not meet the criteria under 65583.2(c) for being re-used.

E. The City Must Address The Unaccommodated Need From The 2015 Regional Housing Needs Allocation.

The City also failed to implement fully its 2015-2023 Housing Element. The consequence of its failure is that it must address both the unaccommodated 2015-2023 need and the new 2023-2031 need.

Where a city fails to implement a housing element, the unaccommodated need must be quickly accommodated during the next period. Government Code § 65584.09(a). Here, Santa Clara failed to timely implement what it promised in its 2015 Housing Element. The unaccommodated need from that period – the failure to provide adequate sites for lower income housing – carries over, and the city cannot use the same sites to meet both the 2015 need and the 2023 need.

We start with a description of the City's failure to make available adequate sites to accommodate the regional need identified in 2014. In the 2015-2023 Housing Element, the City stated that it believed the housing need could be accommodated on sites in the El Camino Real, Tasman East, and Lawrence Station "focus areas": areas that the City's general plan projected as suitable for rezoning as medium or high density residential, or mixed use, but which were not yet zoned to permit residential development. The Tasman East focus area and Lawrence Station focus area were zoned light industrial. The El Camino Real sites were zoned "thoroughfare commercial" or "community commercial": zoning that did not permit residential construction. No one could build housing on any of the sites in the inventory without rezoning.

Under section 65583.02(a), the inventory can only include sites that are (1) vacant and zoned for residential use, (2) vacant and zoned to allow residential development, (3) residentially zoned and capable of being developed at a higher density, or (4) "zoned for nonresidential use that can be redeveloped for residential use, and for which the housing element includes a program to rezone the site, as necessary, to permit residential use" The 2015 inventory was valid, if at all, because of the planned program to rezone all of the sites on the list under sections 65583.2(a)(4) and 65583(c).

A program to rezone sites to make them available is governed in part by Government Code section 65583(c)(1). That subsection required the City to "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 . . . share of the regional housing need for each income level that could not be accommodated on sites in the inventory . . . without rezoning" Under section 65583(c), the City was required to "set forth a schedule of actions during the planning period, each with a timeline for implementation . . . such that there will be beneficial impacts of the programs within the planning period"

The City's 2015-2023 Housing Element explained how it would comply with the law: It would engage in a comprehensive rezoning of the entire city to conform with the general plan, "to bring consistency between the Zoning Ordinance and the General Plan, implementing the General Plan goals by facilitating mixed use development and higher density residential development, protecting existing neighborhoods, and incentivizing redevelopment by appropriate development standards and streamlined procedures." The City stated that it would complete this action by mid-2016. *See* 2015-2023 Housing Element at pp. 8.12-122 – 8.12-123 ("Action 6: Zoning Ordinance").

The mid-2016 deadline was important; the action needed to be scheduled "such that there will be beneficial impacts of the programs within the planning period," and also kept the plan for rezoning on track to take place within the required three years. Government Code § 65583(c)(1)(A). Housing could not be constructed unless it were approved; housing would face more hurdles to approval until the rezoning took place; and so removing the obstacle of light industrial or commercial district zoning needed to take place early in the planning period to



HOUSING ELEMENT

Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 22



provide developers the ability to propose and proceed with housing built to meet the needs during the 2015-2023 time period.

By mid-2016, the City still had not completed the comprehensive rezoning that it identified as Action 6. The City blamed problems with its outside consultant for not completing it in by the deadline of 2016, and promised it would be done in 2017. But even then, the City didn't complete it. The draft was finally circulated for public comment in summer 2022 – while the City was working on the 2023 Housing Element – and won't be voted on by the City Council until sometime in 2023. The draft 2023-2031 Housing Element acknowledges that Action 6 is incomplete, and now lists the comprehensive zoning ordinance update as Action 9 in the new plan: "Complete the comprehensive update to the Zoning Ordinance by early 2023." (p. 13.2-13).

The City thus did not implement the 2015 Housing Element, and did not rezone, as promised, the sites listed in its 2015-2023 inventory. While the City listed 158 parcels along El Camino Real in its 2015-2023 plan as having the ability to satisfy the housing needs of the community, it left the commercial district zoning in place for the entire 2014-2022 period. To this day, anyone wanting to build housing on most of those parcels (excluding the few that went through the City's discretionary process for a rezoning) needs to apply for a zoning variance, contrary to state law, which required not just an expectation of potential rezoning to match the general plan, but actual implementation of the Housing Element by the City. Meanwhile, the City planning staff proposed a rezoning of these sites repeatedly as part of the El Camino Real Specific Plan, but the City Council still has not taken action, and has deferred further discussion. The program actions in the 2015-2023 Housing Element to rezone or provide adequate sites were thus not fully implemented.

Having failed to implement the rezoning as required by state housing law and promised in the 2015-2023 Housing Element to take place by mid-2016, the City is now subject to section 65584.09, which provides:

[I]f a city or county in the prior planning period failed to identify or make available adequate sites to accommodate that portion of the regional housing need allocated pursuant to Section 65584, then the city or county shall, within the first year of the planning period of the new housing element, zone or rezone adequate sites to accommodate the unaccommodated portion of the regional housing need allocation from the prior planning period.

Santa Clara easily accommodated the need for above-moderate income housing during the 2015-2023 period: It issued building permits for 4,606 units. It appears to have accommodated the 2015-2023 need for moderate income housing, at least if project approvals, rather than actually constructed units, are counted. But it fell seriously short for the "very low" and "low" income categories. The City granted building permits for only 289 very-low-income units, 246 low-income units, and 125 units affordable to those with moderate incomes. This leaves a substantial

shortfall to be addressed from the last period, in addition to the substantial new need for the new period.

Even if the City's rezoning of adequate sites – albeit ones where no affordable housing has been built, and may never be – is counted,²¹ the City has a substantial shortfall:

	Very Low	Low
2015-2023 RHNA Need	1,050	695
Building Permits (from Table 13.7-2)	289	246
“Adequate” Sites Rezoned in Tasman East ²²	121	61
“Adequate” Sites Rezoned in Lawrence Station ²³	13	7
Approvals of Affordable Housing (from Table 13.6-2) ²⁴	163	145

²¹ A reasonable interpretation of the term “unaccommodated portion of the regional housing need allocation” would exclude all deductions from the prior RHNA except affordable housing units actually built. After all, no one's actual needs are accommodated by housing that was never built. Using building permits as a proxy for this, the unaccommodated very-low-income need would be 761 units, and the unaccommodated low-income need would be 449. However, the distinction might make very little difference to the ultimate math below: Omitting the rezoned adequate sites in Tasman East and Lawrence Station, and omitting the approved affordable housing elsewhere in the City, would result in a higher number for the “unaccommodated portion,” but these sites could then be counted as meeting the 2023-2031 need if they will result in new housing during the next eight years, as the City argues at p. 13.6-2. The critical point here, as explained in the text, is that the City cannot double-count.

We do not think the City can fairly consider the Patrick Henry rezoning as having accommodated any portion of the need from the prior Housing Element, even for those sites that might be considered adequate in the 2023-2031 cycle, given that it was rezoned so late in the period.

²² We do not include the data center or the sites that are smaller than 0.5 acres, because these sites are not adequate, as the City has recognized by removing them from the inventory of sites adequate for lower income housing. We also put “adequate” in quotes here because we have not analyzed whether the other sites are in fact adequate for lower income housing sites (e.g., suitable, available, realistic); the City should do so as part of its analysis.

²³ We do not include the Gemini Rosemont Technology Park, or the data centers on Corvin that were included in the 2015 site inventory but have been deleted from the 2023 site inventory, because these sites are not adequate. We also put “adequate” in quotes here because we have not analyzed whether the other sites are in fact adequate for lower income housing sites (e.g., suitable, available, realistic); the City should do so as part of its analysis.

²⁴ In calculating this number, we attempted to count those projects listed as “approved” (since proposed projects did not meet the need for affordable housing in 2015-2023), and to



HOUSING ELEMENT

Santa Clara City Council and
Santa Clara Planning Commission
January 22, 2023
Page 24



Approvals of Affordable Housing: 1601 Civic Center ²⁵	106	
Unaccommodated Portion Of 2015-2023 RHNA:	358	236

In determining the affordable housing requirements for its 2023-2031 Housing Element, the City is not allowed to use the same sites or projects to count toward both the 2015-2023 need and the 2023-2031 need. It must instead plan for both the unaccommodated need and the newly allocated need. *See* Government Code § 65584.09(b). This means that the City's analysis at page 13.6-2 is flawed because it engages in double-counting: The City is claiming that the building permits and approvals from 2015-2023 accommodated a portion of the housing need for that period *and* that the same building permits and approvals from 2015-2023 address the newly allocated need for 2023-2031.

Again, the City's failure to follow through on its 2015 Housing Element has a consequence: the City is now obliged to meet the unaccommodated need from the 2015-2022 period as well as the regional need identified for the 2023-2031 period. Adequate sites must be rezoned within one year to address this unaccommodated portion of the 2015-2023 RHNA need.

avoid double-counting those projects that were counted towards building permit goals on Table 13.6-2. We believe that 3905 Freedom, Gateway, and Agrihood were not counted towards building permits, but that Clara Gardens, The Meridian, and 2330 Monroe each had building permits issued and were counted in Table 13.6-2. The City planning department should perform the calculation itself using the information available to it; this calculation should be viewed as illustrative.

²⁵ We note that this site is not included in the Housing Element. If the City has information that it will not be developed, or that the approval is not final, then it would be removed from this calculation.

Santa Clara City Council and
 Santa Clara Planning Commission
 January 22, 2023
 Page 25



F. Conclusion: The Draft Housing Element Cannot Be Certified.

The issues identified in this letter show that the “Adoption Draft” is not yet ready for adoption at all. It contains unrealistic sites, unsupported projections, claims that lower income housing can be built on sites zoned as open space or even public right-of-ways, and other violations of state law. The City cannot make the required findings to support it, because it lacks the evidence to support the claims it makes about whether the existing inventory is sufficient to meet the considerable and pressing need for housing at all levels of affordability. While meeting the deadline is important, passing a valid Housing Element is even more so. It is better to be late than to be wrong, and the City should not want to see its Housing Element invalidated by the State or a court.

Respectfully submitted,

Thomas B. Mayhew

Charles J. Higley Thomas B. Mayhew

TBM:tb

36615\15246660.2

With copies to:

Reena Brilliot, Assistant Director, Santa Clara Community Development Department
 E-Mail: RBrilliot@SantaClaraCA.gov

John Davidson, Principal Planner, Santa Clara Planning Division
 E-Mail: JDavidson@SantaClaraCA.gov

Jose Jauregui, State of California, Department of Housing and Community Development
 Email: Jose.Jauregui@hcd.ca.gov



FIGURE 11: FORMAL COMMENT LETTER: HOUSING ACTION COALITION



**FARELLA
BRAUN + MARTEL LLP**

THOMAS B. MAYHEW
tmayhew@fbm.com
D 415.954.4948

CHARLES J. HIGLEY
cjhigley@fbm.com
D 415.954.4942

February 23, 2023

Via E-mail

Paul McDougall, Senior Program Manager
Jose Jauregui, Housing Policy Analyst
State of California
Business, Consumer Services and Housing
Agency
California Department of Housing and
Community Development
Division of Housing Policy Development
2020 W. El Camino Avenue, Suite 500
Sacramento CA 95833

paul.mcdougall@hcd.ca.gov

jose.jauregui@hcd.ca.gov

Re: City of Santa Clara Housing Element As Adopted
Comments of Housing Action Coalition

Dear Mr. McDougall and Mr. Jauregui:

This letter will address the capacity calculations the City of Santa Clara used in preparing the site inventory for its adopted Housing Element. As will be explained, the Housing Action Coalition¹ asks that you find the Housing Element not to be in substantial compliance because it overstates the capacity of the site inventory to accommodate Santa Clara's share of the regional need for housing, particularly for lower income categories.

As explained in further detail below, Santa Clara's capacity calculations are flawed because:

1. In the case of the Lawrence Station and Tasman East sites, they are based on incomplete data.
2. In the case of the Patrick Henry sites, they are based on no data.
3. In all three cases, they do not take into account AB 1397, requiring an analysis of typical densities of projects with "a similar affordability level in that jurisdiction."

¹ The Housing Action Coalition is a nonprofit that advocates for building more homes at all levels of affordability to alleviate the Bay Area and California's housing shortage, displacement, and affordability crisis.

California Department of
Housing and Community Development
February 23, 2023
Page 2



A. Background

First, for context, some background on the drafting of the capacity calculation portion of Santa Clara's Housing Element.

The capacity calculations issue is not one that HCD has previously reviewed for Santa Clara. In the earlier August 22, 2022 draft submitted to HCD, Santa Clara used minimum densities (the safe harbor under section 65583.2(c)(1)) to calculate the capacity of the site inventory to accommodate the RHNA. But in a comment letter on November 30, 2022, following HCD's comments, Housing Action Coalition pointed out that a number of sites on the inventory were unrealistic: they had existing uses that were not "likely to discontinue" during the planning period.

In response, Santa Clara removed a number of sites, including six large data centers and a fire station that were unlikely to be redeveloped as housing. But rather than identify new sites for the inventory, Santa Clara instead added only an upward adjustment of the number of units claimed for each site, and an argument that the remaining sites had the capacity to fully accommodate the RHNA.

The final draft of the site inventory, showing the new math, was not made public until after 5 p.m. on Friday, January 20, just days before the January 24 Planning Commission meeting and City Council meeting on January 31. This sharply limited the opportunity for public analysis and comment on this major change to the Housing Element.

We submitted a comment Sunday night, in advance of the Tuesday Planning Commission hearing, but this left limited time for staff to consider that their analysis had omitted important information. Given the approaching deadline of January 31, the Planning Commission and City Council quickly adopted the Housing Element without further changes, and without taking the time to correct any errors.

The Santa Clara Housing Element discusses the "realistic capacity" calculation – the methodology the City uses to estimate the number of units that each parcel will accommodate for purposes of meeting the RHNA requirements – at pages 13.6-7 through 13.6-10. The approach is described at page 13.6-10 in the final paragraph of the section:

Because each Specific Plan has its own distinct land use designations and affordability requirements, realistic capacity for available sites was calculated based on the average of percent above minimum density allowed per Specific Plan of existing and approved projects (see Table 13.6-3). Percent above the minimum density allowed was used to remain conservative, realistic, and to account for the wide range of Specific Plan densities allowed (from 20 du/ac in Lawrence Station to 350 du/ac maximum in Tasman East). . . .



HOUSING ELEMENT

California Department of
Housing and Community Development
February 23, 2023
Page 3



The following averages were used to calculate realistic capacity, per Specific Plan area:

- Lawrence Station Area Plan: minimum densities x 191%
- Tasman East Focus Area Specific Plan: minimum densities x 215%
- Patrick Henry Drive Specific Plan: maximum densities x 72% (based on Specific Plan assumptions) was used as there are currently no existing or approved projects in the Patrick Henry Drive Specific Plan area.

Housing Element at p. 13.6-10.

B. The Lawrence Station And Tasman East “Averages” Are Based On Incomplete Data.

An “average” is not an average unless it includes all of the data. Unfortunately, for both the Lawrence Station and Tasman East areas, Santa Clara’s analysis omitted key data in calculating the multipliers of 191% for Lawrence Station and 215% for Tasman East. The actual averages are lower. While these errors alone might not show that the site inventory is insufficient to meet the RHNA, it is important to correct them because they will be used for No Net Loss calculations in the future.

1. The Tasman East Average Is Actually 160-201%, Not 215%.

At table 13.6-3, Santa Clara lists six projects, and calculates an average “% above allowed minimum density.” However, the average is inaccurate because Santa Clara did not include all existing and approved projects from the Tasman East area. A comparison with Table 13.6-2 – which lists eleven pending and approved projects in the Tasman East area – reveals the error. The following chart shows the correct average, with ***bold and italics*** used to indicate the information that was incorrect or omitted from the table:

Project Name	Min./max. density [du/ac]	Acres	Units	Units/Acres	% of minimum density [column 5 divided by column 2]
2233 Calle Del Mundo	100-350	1.22	196	160	160%
2200 Calle Del Mundo	100-350	2.44	580	237	237%

2300 Calle De Luna	100-350	5.52 ²	700	127	127%
2343 Calle Del Mundo	100-350	2.63	347	131	131%
2302/2310 Calle Del Mundo	60-350	0.77	151	196	327%
2354 Calle Del Mundo	60-350	0.50	89	178	297%
5123 Calle Del Sol	100-350	2.62	503	192	192%
2263 Calle Del Mundo	100 to 350	1.95	301	154	154%
2225 Calle De Luna & 2232 Calle Del Mundo	100 to 350	2.1	371	183	183%
				AVERAGE (mean):	201%
				AVERAGE (median):	160%

Including all of the projects in the Tasman East area shows that the capacity calculation in the adopted Housing Element is inflated by these errors. Note, we have also excluded two additional projects that appear in table 13.6-2 because they are “proposed” rather than “approved”:

5185 Lafayette	100 to 350	1.12	271	242	242%
2101 Tasman Dr.	100 to 350	9.03	950	105	105%

If these two additional projects were included in the list, the average percentage above minimum would go down further, to 196%.

If an average (mean) percentage of 201% is applied (instead of 215%), the total units on the inventory attributable to the Tasman East sites goes from 1,123 to 1,050, a decrease of 73 units. Not a huge difference, but potentially important to the people who might live in those units, as well as to determining when No Net Loss provisions will first apply.

Alternatively, HCD should consider whether a “median” is more appropriate than a “mean” in determining the average. A median avoids skewing the result based on outliers. The significant difference between the mean and the median here shows that outliers – two sites built at 327% and 297% of the minimum density – are leading to a high mean without being reflective of the data set. Using the median of 160% (instead of 215%) would reduce the total units on the inventory in Tasman East from 1,123 to 837 units, a decrease of 286 units.

² On the City’s chart, this is listed as 5.02, which appears to be a typo. The City Planning Department project listing lists it as 5.52, as does the County Assessor’s parcel map. We have corrected the units/acres and % of minimum density calculations accordingly.



HOUSING ELEMENT

California Department of
Housing and Community Development
February 23, 2023
Page 5



2. The Lawrence Station Average Is Actually 134%-140%, Not 191%.

Table 13.6-3 lists four sites in the Lawrence Station area, comprising 9.21 acres, and then calculates an “average” of 191%. Here too, the site inventory omits other sites developed in the Specific Plan area: the ones listed comprise less than 25% of the 38 acres developed or approved.

It is more difficult to calculate an “average” for the Lawrence Station area because a single project – the Summerhill Nuevo project, comprising 29.4 acres and 988 units – included a large number of parcels, and resulted in areas of higher and lower density mixed in with other public amenities like roads and open space/parks.³ Santa Clara has ignored these elements that lowered the overall density of the project (which averaged just 33.6 du/ac), and instead lists only two (of the three) apartment buildings that were part of the project, as if those two apartment buildings were standalone projects.

Because the mix of density rules applied to the Summerhill project makes the “percentage of minimum” approach challenging to apply, we will present several ideas of how it could have been properly incorporated. Ultimately, however, the point is that Santa Clara’s current approach, by claiming an average that was not based on all of the data, is invalid. Each of these approaches shows that the current multiplier of 191%-of-minimum-density overstates the typical densities in the Lawrence Station area.

The first idea is, as with the Tasman East analysis above, to adjust Table 13.6-3 to simply incorporate the missing data by adding in the other Lawrence Station area projects that were omitted, including the large Summerhill project, and then deleting the two subcomponents of the Summerhill project that were included in Table 13.6-3. The resulting chart would look like this,

³ In our comment letter to Santa Clara on January 21, 2023, we pointed out that the requirements of open space/parks and additional public right-of-ways would reduce the net buildable acreage, and that the site inventory should be adjusted accordingly. See Housing Action Coalition letter dated January 22, 2023 at pp. 16-19 (explaining that 2.33 acres of the Lawrence Station sites, and 9.47 acres of the Patrick Henry sites, are designated for parks or roadways, not zoned for housing). At the hearing before the Planning Commission, the City Attorney’s office responded derisively that this was unnecessary because Santa Clara’s minimum density rules are applied to gross acreage, inclusive of parks and roadways. However, if gross acreage is the appropriate measure as the City Attorney’s office argued, it must be consistently applied: the City cannot cherry-pick the highly dense apartment parcels and ignore that they were approved and built as part of a package with dedicated open space and roadways as part of the same project. The densities of the projects shown on table 13.6-3 are inflated by omitting the “gross acreage” of the parkland and roadways that were dedicated to the City in order to obtain approvals of the high density apartment buildings. The City cannot use net buildable acreages for calculating the capacity multiplier, then apply that multiplier to gross acreages inclusive of parkland and roadway requirements.

with ***bold and italics*** for the missing information, and ~~strikethrough~~ text for the Summerhill Nuevo subcomponents:

Idea 1: Substitute the entire Summerhill project into the chart

Project Name	Min. density [du/ac]	Acres	Units	Actual density [du/ac]	% of minimum density [column 5 divided by column 2]
2904 Corvin	51 du/ac	1.08	145	134 du/ac	$134/51 = 263\%$
2961 Corvin	20 du/ac	1.69	38	22.49	$22.49/20 = 112\%$
3305 Kifer	20 du/ac	1.91	45	23.6	$23.6/20 = 118\%$
3560 Rambla	51 du/ac	2.49	251	100 du/ac	$100/51 = 196\%$
3578 Rambla	51 du/ac	1.72	126	73 du/ac	$73/51 = 143\%$
3505 Kifer (Summerhill Nuevo) ⁴	26 du/ac ⁵	29.4	988	33.6 du/ac	$33.6/20 = 168\%$
3517 Ryder	51 du/ac	3.92	328	83 du/ac	$83/51 = 163\%$
				AVERAGE (mean):	165%
				AVERAGE (median):	163%

However, this first approach overweights the smaller sites to a very significant degree: a one acre site – and one which has very unique attributes, as will be discussed below – is given the same weight as the Summerhill Nuevo site, which used 29 times as much land. This inflates the percentage-of-minimum, and overestimates the site capacities.

The second approach breaks the Summerhill site into smaller components: leaving the two apartment buildings (3560 and 3578 Rambla) on the chart, but then adding the third

⁴ 3505 Kifer is the address for the entire Summerhill project – 988 units – in the Lawrence Station Area Plan. 3560 Rambla and 3578 Rambla are portions of the project (individual buildings), and so are stricken from this chart based on the inclusion of the larger project.

⁵ Because there are three different minimum densities for the Summerhill Nuevo site – 51 du/ac west of Rambla, 8 du/ac north of Boyter, and 20 du/ac east of Rambla – we have estimated the rough proportions of each, and derived a weighted average minimum density. 3.5 acres at 8 du/ac, 17 acres at 20 du/ac, and 7.5 acres at 51 du/ac yields a total minimum number of units of 750 units, divided by 28 acres. The City may have more precise information about the acreage; figuring it out is more difficult because of the subdivision of the lots as part of the project, which renders the current County Assessor's Map unhelpful for this purpose.



HOUSING ELEMENT

California Department of
Housing and Community Development
February 23, 2023

Page 7



apartment building, and three hypothetical projects that were also components of the Summerhill Nuevo development: (1) the 41 unit single family lots north of Boyton, (2) the 114 “E-towns” in the medium density portion, and (3) the 176 “Town Flats” in the medium density portion. The parkland and roadway dedications are distributed geographically with the site that they are adjacent to.

Idea 2: Substitute the components of the Summerhill project into the chart

Project Name	Min. density [du/ac]	Acres	Units	Actual density [du/ac]	% of minimum density [column 5 divided by column 2]
2904 Corvin	51 du/ac	1.08	145	134 du/ac	$134/51 = 263\%$
<i>2961 Corvin</i>	<i>20 du/ac</i>	<i>1.69</i>	<i>38</i>	<i>22.49</i>	<i>$22.49/20 = 112\%$</i>
<i>3305 Kifer</i>	<i>20 du/ac</i>	<i>1.91</i>	<i>45</i>	<i>23.56</i>	<i>$23.56/20 = 118\%$</i>
3560 Rambla (Summerhill Nuevo)	51 du/ac	2.49	251	100 du/ac	$100/51 = 196\%$
3578 Rambla (Summerhill Nuevo)	51 du/ac	1.72	126	73 du/ac	$73/51 = 143\%$
<i>3580 Rambla (Summerhill Nuevo)</i>	<i>51 du/ac</i>	<i>2.58 + .91 = 3.49⁶</i>	<i>286</i>	<i>81.95 du/ac</i>	<i>$81.95/51 = 161\%$</i>
<i>Summerhill Nuevo – single family north of Boyton</i>	<i>8 du/ac</i>	<i>3.5</i>	<i>41</i>	<i>11.71 du/ac</i>	<i>$11.7/8 = 146\%$</i>
<i>Summerhill Nuevo – “E-towns”</i>	<i>20 du/ac</i>	<i>6.5</i>	<i>114</i>	<i>17.54 du/ac</i>	<i>$17.5/20 = 88\%$⁷</i>

⁶ The additional acreage is for the added roadway and community center that is bordered on three sides by the three apartment buildings. Rather than distribute the acreage to all three apartment buildings (and correct the acreage for 3560 and 3578 Rambla), we here assign all of the roadway and community center land west of Rambla to the largest of the three apartment buildings.

⁷ Note that here, the percentage for these two subcomponents of the Summerhill Nuevo project is shown as less than the minimum density. This is because the bulk of the parkland for the entire project is in the area east of Rambla. If a portion of the parkland parcels was instead proportionally allocated to the apartment buildings including 3560 and 3578 Rambla—where the City used only the acreage of the parcels that the buildings are on—then all of the components of the Summerhill project would be compliant with the minimum density zoning rules. (See “Idea 3” below). There is an additional wrinkle that for a set of buildings north of Boyton, the Lawrence Station Area Plan zoned the land as “very high density” (minimum 51 du/ac), but the

<i>Summerhill Nuevo – “Town Flats”</i>	20 du/ac	10.5	176	16.8 du/ac	$16.8/20 = 84\%$
3517 Ryder	51 du/ac	3.92	328	83 du/ac	$83/51 = 163\%$
				AVERAGE (mean):	147%
				AVERAGE (median):	143%-146%

A third approach is to limit the analysis to those projects on the land zoned as high density, but to assign a proportionate share (by unit count) of the parkland and roadway dedications that were part of the Summerhill Nuevo project to the three apartment buildings for that project:

Idea 3: High Density Projects Only, But Including Open Space/Roadways

Project Name	Min. density [du/ac]	Acres	Units	Actual density [du/ac]	% of minimum density [column 5 divided by column 2]
2904 Corvin	51 du/ac	1.08	145	134 du/ac	$134/51 = 263\%$
3560 Rambla	51 du/ac	$2.49 + 1.08 = 3.57$	251	70 du/ac	$70/51 = 137\%$
3578 Rambla	51 du/ac	$1.72 + 0.54 = 2.26$	126	56 du/ac	$56/51 = 110\%$
3580 Rambla	51 du/ac	$2.58 + 1.24 = 3.82$	286	75 du/ac	$75/51 = 147\%$
3517 Ryder	51 du/ac	3.92	328	83 du/ac	$83/51 = 163\%$
				AVERAGE (mean):	164%
				AVERAGE (median):	147%

One virtue of this last approach is that it is limited to a more apples-to-apples comparison: all of the sites had a minimum density of 51 du/ac, rather than trying to mix in with medium or low density projects. Particularly since, with one exception, the site inventory applies the multiplier

final approved project included medium density on that portion of the site. We have not tried to adjust for that fractional portion, but instead have calculated the numbers as if it had a minimum of 20 du/ac, not 51 du/ac. Adjusting to take into accounting the 51 du/ac minimum north of Boyton and east of Copper would reduce the “percentage-of-minimum” further.



HOUSING ELEMENT

California Department of
Housing and Community Development
February 23, 2023
Page 9



to those Lawrence Station sites with a minimum density of 51 du/ac, this approach is probably the most appropriate.

However, there is a last important piece to note, which materially affects all of the numbers above. The first site on Table 13.6-3, included in all of the charts above, i.e., 2904 Corvin, is an exceptional situation which is unrepresentative of projects likely to occur in the sites on the inventory. As explained on the City's website and in other press coverage,⁸ 2904 Corvin is a 144 "micro-unit" affordable housing project, built primarily as supportive housing for those making a transition from homelessness, and including on-site support services. Because it has 144 units affordable to those with low or very low incomes (plus a two bedroom manager's unit), it was able to apply density bonuses to significantly exceed the maximum zoned density for the Lawrence Station Specific Plan (which would have limited it to 108 units; 1.08 acres times 100 du/ac). On completion, it will have 80 units reserved for the homeless: single occupancy, 300 square foot, "micro-studios" with a private bathroom and kitchenette. The construction was heavily subsidized by a county bond measure to build affordable housing specifically for the homeless. It is not representative of the likely density of a project that includes 30% moderate income or even 30% low income units, because most affordable housing projects build larger units that can accommodate families. It is thus not fairly considered in calculating a "typical" density. It should be excluded from the analysis to avoid distorting the capacity calculation. Without it, the averages (mean) above are significantly reduced: 140% for idea 1, 134% for idea 2, 139% for idea 3.⁹

Because Lawrence Station has a greater amount of land on the inventory, and because the "average" was distorted by more significant errors, the impact of adjusting the capacity multiplier is much higher than for Tasman East. If a percentage based on "average" (mean) above the minimum of 139% is applied – which we think would be the most principled, because it excludes the homeless supportive housing project at 2904 Corvin, and then limits the analysis to high or very high density sites, while taking due account of the parkland/roadway dedication issue and other omitted sites – the site inventory would be reduced by 572 units: 234 in the very low income category, 169 in the low income category, and 169 in the moderate income category.

⁸<https://www.santaclaraca.gov/Home/Components/BusinessDirectory/BusinessDirectory/280/2495?alpha=L>; <https://sanjosespotlight.com/santa-clara-first-supportive-housing-project-breaks-ground/>

⁹ The medians for the three are 118-163%, 143%, and 137-147%; a "median" when calculating an average based on four items in a data set is less helpful than when deriving a median from a longer data set. But the three medians here help support the validity of the 139% statistic; they do not diverge to the same significant degree as the Tasman East median and mean.

C. The Patrick Henry “Average” Is Based On No Data.

We turn next to the Patrick Henry area, where we cannot create a chart, because there is no valid data at all.

Here, Santa Clara used a multiplier of “maximum densities x 72%,” and explains that it was used “as there are currently no existing or approved projects in the Patrick Henry Specific Plan area. Santa Clara included no rationale for the number in the Housing Element, contrary to the requirements in Government Code section 65583.2(c), which requires that the City “determine,” “specify,” “demonstrate,” “calculate,” and appropriately “adjust” a “realistic” number, using “typical densities of existing or approved residential developments.” Absent sufficient information, Santa Clara is not permitted to simply imagine that 72% is an appropriate multiplier. It should instead use the established minimum density. Government Code § 65583.2(c)(1).

Based on the drafting history, the apparent inspiration of the 72% statistic is a single proposed project (Pactron/Summerhill) listed on table 13.6-3 for the Patrick Henry area. In the draft circulated the week before the final Planning Commission hearing, the draft had indicated that it would use a 119% “percentage of minimum” based on this proposal. The day before the Planning Commission hearing, staff made a last-minute change in the creation of Appendix B (the site inventory), claiming that the Patrick Henry area densities should be calculated based on a 72% “percentage of maximum” instead of a 119% “percentage of minimum.” To the extent that the Pactron/Summerhill proposal is in fact the basis for the 72%, it is flawed.

First, this proposal does not show an average or typical density of an existing or approved project. It does not show what even a single builder has succeeded in building at the listed percentage-of-minimum density. The statute directs that “typical densities of existing or approved residential developments at a similar affordability level in that jurisdiction” is the relevant data set; a single proposed but-not-yet-approved project, and a market-rate one at that, doesn’t meet the minimum test for consideration, because it is neither “typical” nor “existing or approved,” Government Code § 65583.2(c)(2). This rule makes good sense: A proposed project may not be approved or ever built, and so has not been tested by the real world to determine if it reflects the “realistic” capacity¹⁰; City staff may not even have reviewed it for compliance with Santa Clara zoning laws. Meanwhile, “typical” requires more than a handful, and certainly more than one. Because no housing has been built in the Patrick Henry area at all, the City lacks data on which to argue that the statutory directive of applying minimum density

¹⁰ See Government Code § 65583(a)(3) (requiring a site inventory to show the “realistic and demonstrated potential for redevelopment”); § 65583.2(c) (“The inventory shall specify for each site the number of units that can realistically be accommodated . . .”); § 65583.2(c)(2)(C) (“A site may be presumed to be realistic for development to accommodate lower income housing if, at the time of the adoption of the housing element, a development affordable to lower income households has been proposed *and approved* for development on that site.”) (emphasis added).



HOUSING ELEMENT

California Department of
Housing and Community Development
February 23, 2023
Page 11



based on densities should be ignored or adjusted based on real-world experience. Meanwhile, the City's calculations fail to account for the possibility that future projects may include commercial or office uses, even though several of the Patrick Henry zoning categories provide this potential. The City should use the minimum densities as the fail-safe for this area of the City, where no housing has yet been built at all.

Second, the last minute switch from a "percentage of minimum" (the approach used for Tasman East and Lawrence Station) to a 72% "percentage of maximum" was used to inflate the numbers based on the very high maximums used for Patrick Henry. This seemingly minor change makes a big difference – about 728 units – but the current draft of the Housing Element does not "demonstrate" why the "percentage of maximum" is valid or realistic, as required. Government Code § 65583.2(c). A "percentage of maximum" untethers the approach from reality: a jurisdiction could choose (to take an extreme example) a 1,000 du/ac "maximum" and then claim that lower income housing needs are accommodated even though no project has ever been built with that density. Note also that in the Tasman East area, with arguably the most similar zoning rules to Patrick Henry, the average "percentage of maximum" based on built and approved market-rate projects is only 50%, further casting doubt on the "72% of maximum" claim for Patrick Henry.

Absent a data-driven reason for the "72% of maximum" multiplier for the Patrick Henry area, Santa Clara fails to justify the upward adjustments it applied. The minimum density should be used instead. This makes a big difference: 3,207 units total for the Patrick Henry area, instead of 4,549, and a failure to meet the very low income RHNA.

D. Santa Clara Failed To Analyze The "Typical Densities Of Existing Or Approved Residential Developments At A Similar Affordability Level."

If a city uses the minimum density under section 65583.2(c)(1), it can also treat the site as appropriate to develop at that minimum density for lower income housing under section 65583.2(c)(3), which provides that sites with a zoned density of at least 30 units/acre are considered adequate for lower income housing. But if the city does not use the minimum density, as the latest draft now proposes, it must differentiate between market-rate and affordable housing projects in developing a realistic estimate. Government Code § 65583.2(c)(2). Here, the City's Housing Element is seriously flawed, because it relies almost exclusively on market-rate, rather than affordable, housing projects in calculating the capacity of the inventory.

Section 65583.2(c)(2) was amended in 2017 (AB 1397) to emphasize that "typical densities" are not sufficient; the relevant evidence from which to make a capacity calculation higher than minimum is by comparison to "typical densities of existing or approved residential developments *at a similar affordability level in that jurisdiction.*" See also Government Code § 65583(a)(3) (requiring that sites have a "realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level.").

A market-rate developer may be able to afford to build 300 units on 2.51 acres, or even 800 units on 6.5 acres, as Sares Regis proposes to do at Patrick Henry. But it is well-recognized that a 100% affordable income development generally cannot afford a project of this magnitude. As the HCD Site Inventory Guidebook explains:

To achieve financial feasibility, many assisted housing developments using state or federal resources are between 50 to 150 units. Parcels that are too small may not support the number of units necessary to be competitive and to access scarce funding resources. Parcels that are large may require very large projects, which may lead to an over concentration of affordable housing in one location, or may add cost to a project by requiring a developer to purchase more land than is needed, or render a project ineligible for funding.

HCD Site Inventory Guidebook (May 2020) at p. 15. These limitations are why the Legislature provided in AB 1397 that sites smaller than 0.5 acres, or larger than 10 acres, are usually ineligible, absent a specific evidentiary showing, to accommodate the need for lower income housing. *Id.*; Government Code § 65583.2(c)(2)(A) and (B). Indeed, the same law that added section 65583.2(c)(2)(A) and (B) also added the “similar affordability level” language to subsection (c)(2); the Legislature simultaneously added several provisions to ensure that site inventories realistically evaluate whether affordable housing will be produced. AB 1397 (Stats. 2017 ch. 375).

In order to depart from the minimum density, Santa Clara would therefore need to show not just that market-rate projects can achieve higher-than-minimum densities like the 139% average in Lawrence Station, or 201% average in Tasman East, but that “typical densities” for a 100% affordable housing project do so as well, including at the very high densities projected for these sites.

Santa Clara’s Housing Element fails to make this required showing. Of the projects on Table 13.6-3, or even the more complete lists discussed above, there is only one project that can be described as having a “similar” level of affordable housing (i.e., 100% below market rate): the 1.08 acre project at 2904 Corvin. That project fits the general range of size for affordable housing – at 145 affordable units, it is within the 50-150 unit range discussed by HCD. But it is one-of-a-kind: the first homeless supportive housing in the City, heavily subsidized, with single-occupancy “micro-units” that are only 300 square feet in size, and the only affordable housing project built in any of the three Specific Plan areas. One-of-a-kind is not “typical.”

The remaining site inventory in Tasman East, Lawrence Station, and Patrick Henry is projected to meet the needs for very low-, low-, and moderate-incomes (*see* p. 13.6-10, splitting the capacity 33.33 percent each to very low-, low- and moderate-incomes). Yet the data to support the claimed densities is based exclusively on market-rate projects that did not have this mix of affordability. In the Tasman East area, table 13.6-2 shows that of eleven projects, building 4,459 units of housing, the number of units of very low- and low-income housing



HOUSING ELEMENT

California Department of
Housing and Community Development
February 23, 2023
Page 13



accommodated is: zero. This shows that there are not “typical densities of existing or approved residential developments at a similar level of affordability” for this area. As stated above, there has been no housing built or approved in the Patrick Henry area at all; there is no “typical” market-rate project there, much less a typical density for a project with the level of affordability calculated by the inventory.

Moreover, as further explained in our letter of January 21, many of the sites include areas that have been zoned as parkland or right-of-ways. While the City Attorney’s Office argued at the Planning Commission hearing that the gross acreage of the sites could nonetheless be included because a housing developer could use the gross acreage in calculating the minimum/maximum number of units permitted by the zoning, this ignores the practical reality: a more dense project (i.e., the same number of units, squeezed into a smaller buildable footprint) is a much more expensive one. Taking APN 104-04-124 as an example, 2.32 of the 4.7 acres is zoned for a park; any development would need to put all of the units on the remaining 2.38 acres. Instead of building a 502 unit project on 4.7 acres, Santa Clara apparently contends that an affordable housing developer will build 2.32 acres of park, and then build all 502 units on the 2.38 acres that remain (a built density of 211 du/ac). This speculation is not realistic. No affordable housing developer has ever built such a development in Santa Clara.

If Santa Clara wants to estimate a realistic production of affordable housing in the Tasman East, Lawrence Station, and Patrick Henry areas, where large, high density market-rate projects are being built (instead of using the safe harbor of minimum densities), then it should estimate how much lower-income housing will be built there based on the actual data of affordable housing production in market rate projects.¹¹ That data shows that housing affordable to those in the very low-, low-, and moderate-income categories is produced at a rate somewhat less than the 12% inclusionary housing mandate under city law. (Which, notably, leads mostly to inclusion of moderate units and no very low- or low-income units for a large number of projects, *see* Table 13.6-2 (Pending and Approved Projects)). The site inventory could include the high density projects, but should only include the realistic number of units in the lower income categories that are historically built in projects of this type. The current Housing Element fails to make a showing sufficient to satisfy section 65583.2(c), as amended by AB 1397. The real data shows that the current site inventory will never achieve the claimed production of affordable housing that Santa Clara presents in the Housing Element, or that is necessary to accommodate the needs of the community.

¹¹ If the City instead wants to rely on statutory presumptions like the “deemed adequate” statutory rule of section 65583.2(c)(3) to claim that these sites can be used for lower income housing, it should limit itself to the minimum densities that state law compels HCD to accept. The City’s planners may know that even the minimum densities are not realistic for the largest sites (given that the size of the projects substantially exceeds what affordable developers actually build), but they would be able to rely on the statutory presumption, rather than speculative and unrealistic math.

The solution is to determine the realistic capacity of the new high-density neighborhoods by projecting market-rate projects with their typical complement of affordable units, and then to supplement it with smaller, geographically dispersed sites to accommodate the remainder of the very low-, low-, and moderate-income need on sites that are realistic in scale and density for affordable housing projects. The City's experience shows that affordable housing developers generally build within a half-mile of grocery stores and that they build projects in the range of 50-150 units. Building in the Patrick Henry area, for example, satisfies neither of these – the area is currently a food desert (more than one mile to a grocery store) – and the parcel size and minimum density exceeds anything that is realistic and demonstrated for a project with 100% affordable housing.¹² The City has numerous other opportunities for places where affordable housing developers could realistically build housing, e.g., along El Camino Real, or Stevens Creek Boulevard – if only the City would commit to rezoning to allow housing to be built there. Affordable housing developers should not have to run a years-long gauntlet of seeking special permission to build housing on realistic, underutilized sites, as was done with the Catholic Charities project at 1601 Civic Center. Adequate, available, realistic sites should be rezoned throughout the city to make it possible to realistically build the required amount of housing affordable to all income levels during the next eight years.

¹² For example, the projections that the need for 972 units of housing affordable to those with very low, low, or moderate incomes will be met by a project at 4701 Patrick Henry Drive, a 687-unit 100% affordable housing project at 3055 Patrick Henry, or a 664-unit 100% affordable housing project at 3350 Central Expressway, is simply not realistic. The City's experience with affordable projects matches well the HCD guidance about projects of 50-150 units.



HOUSING ELEMENT

California Department of
Housing and Community Development
February 23, 2023
Page 15



E. Conclusion

Applying a minimum density approach to capacities, as Santa Clara did with its earlier draft reviewed by HCD, is simple. When Santa Clara instead made its eleventh hour addition to the Housing Element, projecting much larger housing production for the same sites, it was required to do so based on actual evaluation of the typical densities for projects with a similar level of affordability. As explained above, Santa Clara's Housing Element did not comply with this statutory mandate. HCD should find that Santa Clara's Housing Element, as adopted on January 31, 2023, is not in substantial compliance with state law.

Respectfully submitted,

Thomas B. Mayhew

Charles J. Higley

TBM:tb

3661515297926.1

With copies to:

Reena Brilliot, Assistant Director, Santa Clara Community Development Department
E-Mail: RBrilliot@SantaClaraCA.gov

John Davidson, Principal Planner, Santa Clara Planning Division
E-Mail: JDavidson@SantaClaraCA.gov

Appendix B: Housing Element Sites Inventory

HCD Electronic Sites Inventory Table A

Jurisdiction Name	Site Address/Intersection	5 Digit ZIP Code	Assessor Parcel Number	Consolidated Sites	General Plan Designation (Current)	Zoning Designation (Current)	Minimum Density Allowed (units/acre)	Max Density Allowed (units/acre)	Parcel Size (Acres)	Existing Use/Vacancy	Infrastructure	Publicly-Owned	Site Status	Identified in Last/Last Two Planning Cycle(s)	Lower Income Capacity	Moderate Income Capacity	Above Moderate Income Capacity	Total Capacity	Optional Information1 [Notes]	Optional Information2 [Project Status]	Optional Information3 [Project Name]
SANTA CLARA	2101 Tasman Drive	95054	097-05-056	I	DHRE	TN	100	350	6.635837	Vacant Building - Office (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0	Proposed		TE 2101 Tasman Drive (Related California)
SANTA CLARA	2101 Tasman Drive	95054	097-05-057	I	DHRE	TN	100	350	2.3864	Light Industrial / Manufacturing (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	950	950	Proposed		TE 2101 Tasman Drive (Related California)
SANTA CLARA	2200 Calle De Luna	95054	097-05-058		DHRE	TN	100	350	3.699773	Vacant Lot (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	69	510	579	Approved		TE 2200 Calle De Luna (Holland)
SANTA CLARA	2233 Calle Del Mundo	95054	097-05-059		DHRE	TN	100	350	1.164296	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	195	0	1	196	Under Construction		TE 2233 Calle Del Mundo (St. Anton)
SANTA CLARA	2263 Calle Del Mundo	95054	097-05-060	J	DHRE	TN	60	350	0.955107	Low Intensity Office (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0	Approved		TE 2263 Calle Del Mundo (Ensemble)
SANTA CLARA	2263 Calle Del Mundo	95054	097-05-061	J	DHRE	TN	60	350	0.98725	Low Intensity Office (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	301	301	Approved		TE 2263 Calle Del Mundo (Ensemble)
SANTA CLARA	2343 Calle Del Mundo	95054	097-05-110		DHRE	TN	100	350	2.866977	Vacant Lot (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	41	305	346	Approved		TE 2343 Calle Del Mundo (Summerhill)
SANTA CLARA	5191 Lafayette Street	95054	097-46-001		TN	TN	60	350	0.512947	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	47	19	0	66	Available	Prior APNs: 097-05-064, -063, and -062	
SANTA CLARA	2354 Calle Del Mundo	95054	097-46-002		DHRE	TN	60	350	0.458703	Light Industrial / Manufacturing (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	10	78	88	Approved		TE 2354 Calle Del Mundo (Ensemble)
SANTA CLARA	2346 Calle Del Mundo	95054	097-46-003		TN	TN	60	350	0.458668	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	30	29	59	Available		
SANTA CLARA	2338 Calle Del Mundo	95054	097-46-004		TN	TN	60	350	0.458805	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	30	29	59	Available		
SANTA CLARA	2330 Calle Del Mundo	95054	097-46-005		TN	TN	60	350	0.459186	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	30	29	59	Available		
SANTA CLARA	2322 Calle Del Mundo	95054	097-46-006		TN	TN	60	350	0.459186	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	30	29	59	Available		
SANTA CLARA	2301 Calle De Luna	95054	097-46-007		TN	TN	60	350	0.459185	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	30	29	59	Available		
SANTA CLARA	2309 Calle De Luna	95054	097-46-008		TN	TN	60	350	0.459186	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	30	29	59	Available		
SANTA CLARA	2317 Calle De Luna	95054	097-46-009		TN	TN	60	350	0.460984	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	30	29	59	Available		
SANTA CLARA	2325 Calle De Luna	95054	097-46-010		DHRE	TN	60	350	0.472659	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	30	30	60	Available		
SANTA CLARA	5185 Lafayette Street	95054	097-46-011		DHRE	TN	60	350	0.897176	Low Intensity Office (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	15	183	198	Proposed		TE 5185 Lafayette (Ensemble)
SANTA CLARA	2300 Calle De Luna	95054	097-46-016	K	DHRE	TN	100	350	1.287041	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0	Under Construction		TE 2300 Calle De Luna (Related California)
SANTA CLARA	2300 Calle De Luna	95054	097-46-017	K	DHRE	TN	100	350	1.531507	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0	Under Construction		TE 2300 Calle De Luna (Related California)
SANTA CLARA	2300 Calle De Luna	95054	097-46-018	K	DHRE	TN	100	350	1.173241	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	684	684	Under Construction		TE 2300 Calle De Luna (Related California)
SANTA CLARA	5123 Calle Del Sol	95054	097-46-019	M	DHRE	TN	100	350	1.865499	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0	Under Construction		TE 5123 Calle Del Sol (Ensemble) - Phase I & II
SANTA CLARA	2225 Calle De Luna	95054	097-46-020	N	DHRE	TN	100	350	1.067009	Low Intensity Office (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0	Approved		TE 2225 Calle de Luna & 2232 Calle del Mundo
SANTA CLARA	2271 Calle De Luna	95054	097-46-021		TN	TN	60	350	0.929071	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	84	35	0	119	Available		
SANTA CLARA	2281 Calle De Luna	95054	097-46-023		TN	TN	60	350	0.939815	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	85	36	0	121	Available		
SANTA CLARA	2302/2310 Calle Del Mundo	95054	097-46-024		DHRE	TN	60	350	0.987249	Light Industrial / Manufacturing (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	150	0	1	151	Approved/Under Construction		TE 2302/2310 Calle Del Mundo (Ensemble)
SANTA CLARA	2272 Calle Del Mundo	95054	097-46-025		TN	TN	60	350	0.481745	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	31	31	62	Available		
SANTA CLARA	2262 Calle Del Mundo	95054	097-46-026		TN	TN	60	350	0.482516	Low Intensity Office / Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	49	0	49	Available		
SANTA CLARA	2232 Calle Del Mundo	95054	097-46-027	N	DHRE	TN	60	350	1.086643	Light Industrial / Manufacturing (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	44	326	370	Approved		TE 2225 Calle de Luna & 2232 Calle del Mundo
SANTA CLARA	2300 Calle De Luna	95054	097-46-028	K	DHRE	TN	100	350	1.609845	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0	Under Construction		TE 2300 Calle De Luna (Related California)
SANTA CLARA	5123 Calle Del Sol	95054	097-46-029	M	DHRE	TN	60	350	0.782628	Vacant Building - Fast Food Drive Through (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	503	503	Approved/Under Construction		TE 5123 Calle Del Sol (Ensemble) - Phase I & II
SANTA CLARA	2203 Tasman Drive	95054	097-46-030		TN	TN	100	350	1.026134	Low Intensity Retail / Commercial (strip mall)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	154	66	0	220	Available		
SANTA CLARA	3575 De La Cruz Boulevard	95054	101-15-049		VLDL	B	1	18	0.696784	Vacant Lot (pending project)	YES - Current	YES - City-Owned	Pending Project	Not Used in Prior Housing Element	13	2	0	15	Approved using AB 3194 (PLN22-00518)		3575 De La Cruz Boulevard
SANTA CLARA	5155 Stars & Stripes Drive	95054	104-01-102	L	UCED	PD-MC	37	90	35.853211	Vacant - Golf Course (pending project)	YES - Current	YES - City-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0	Approved		Related Santa Clara - Phase 1
SANTA CLARA	5155 Stars & Stripes Drive	95054	104-03-036		UCED	PD-MC	37	90	86.154827	Vacant - Golf Course (pending project)	YES - Current	YES - City-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0	Approved		Related Santa Clara - Phase 1
SANTA CLARA	5155 Stars & Stripes Drive	95054	104-03-037		UCED	PD-MC	37	90	4.012292	Vacant - Parking Lot (pending project)	YES - Current	YES - City-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0	Approved		Related Santa Clara - Phase 1
SANTA CLARA	5155 Stars & Stripes Drive	95054	104-03-039	L	UCED	PD-MC	37	90	2.990044	Vacant - Parking Lot (pending project)	YES - Current	YES - City-Owned	Pending Project	Not Used in Prior Housing Element	0	20	1660	1680	Approved		Related Santa Clara - Phase 1
SANTA CLARA	2901 Patrick Henry Drive	95054	104-04-078		HDR	UV	100	149	6.496663	Low Intensity Office (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	80	40	680	800	Proposed		PHD Sares Regis
SANTA CLARA	3200 Patrick Henry Drive	95054	104-04-089		HDR	UV	100	149	1.285564	Medium / High Intensity Office	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	96	41	0	137	Available		
SANTA CLARA	3000 Patrick Henry Drive	95054	104-04-093		HDR	UV	100	149	2.518497	Low Intensity Office (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	31	15	261	307	Approved		PHD Summerhill
SANTA CLARA	2950 Patrick Henry Drive	95054	104-04-094		HDR	UV	100	149	2.517905	Low Intensity Office	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	189	81	0	270	Available		
SANTA CLARA	2900 Patrick Henry Drive	95054	104-04-095		HDR	UV	100	149	1.983616	Low Intensity Office	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	149	63	0	212	Available		
SANTA CLARA	4590 Patrick Henry Drive	95054	104-04-123		HDR	UV	100	149	2.795228	Low Intensity Office (previous use)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	40	20	353	413	Proposed		PHD Walnut Hill
SANTA CLARA	3200 Patrick Henry Drive	95054	104-04-124		HDR	UV	100	149	4.679705	Medium / High Intensity Office	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	352	150	0	502	Available		
SANTA CLARA	3100 Patrick Henry Drive	95054	104-04-128		HDR	UV	100	149	2.519292	Low Intensity Office	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	189	81	0	270	Available		
SANTA CLARA	3105 Patrick Henry Drive	95054	104-04-131		VHDL	VHDL	51	99	3.795996	Low Intensity Office	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	189	81	0	270	Available		
SANTA CLARA	3055 Patrick Henry Drive	95054	104-04-136		UC	UC	120	250	3.821098	Light Industrial / Manufacturing	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	481	206	0	687	Available		
SANTA CLARA	4699 Old Ironsides Drive	95054	104-04-138		HDF	HDF	60	149	1.734805	Medium / High Intensity Office	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	131	55	0	186	Available		
SANTA CLARA	4677 Old Ironsides Drive	95054	104-04-139		HDF	HDF	60	149	2.531554	Medium / High Intensity Office	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	190	81	0	271	Available		
SANTA CLARA	4655 Old Ironsides Drive	95054	104-04-140		HDF	HDF	60	149	2.696689	Medium / High Intensity Office	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	203	86	0	289	Available		
SANTA CLARA	4633 Old Ironsides Drive	95054	104-04-141		HDF	HDF	60	149	2.60243	Medium / High Intensity Office	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	196	83	0	279	Available		
SANTA CLARA	3905 Freedom Circle	95054	104-40-021	H	VHDL	PD	51	100	8.224978	Vacant Lot (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0	Approved		3905 Freedom Circle Mixed-Use Project (Greystar)
SANTA CLARA	3905 Freedom Circle	95054	104-40-036	H	VHDL	PD	51	100	5.136416	Vacant Lot (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	108	54	913	1075	Approved		3905 Freedom Circle Mixed-Use Project (Greystar)
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-001	O	VR	VR	60	149	0.091117	Low Intensity Office (condo units)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	0	0	Available		
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-002	O	VR	VR	60	149	0.113874	Low Intensity Office (condo units)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	0	0	Available		
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-003	O	VR	VR	60	149	0.091117	Low Intensity Office (condo units)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	0	0	Available		
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-004	O	VR	VR	60	149	0.078111	Low Intensity Office (condo units)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	0	0	Available		
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-005	O	VR	VR	60	149	0.113879	Low Intensity Office (condo units)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	0	0	Available		
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-006	O	VR	VR	60	149	0.091122	Low Intensity Office (condo units)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	0	0	Available		
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-007	O	VR	VR	60	149	0.078107	Low Intensity Office (condo units)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	0	0	Available		
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-008	O	VR	VR	60	149	0.078105	Low Intensity Office (condo units)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	0	0	Available		
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-009	O	VR	VR	60	149	0.069394	Low Intensity Office (condo units)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	0	0	Available		
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-010	O	VR	VR	60	149	0.069395	Low Intensity Office (condo units)	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	0	0	Available		
SANTA CLARA	4701 Patrick Henry Drive	95054	104-53-011	O	VR	VR	60	149	0.078101	Low Intensity Office (condo units)	YES - Current	NO - Privately-Owned</									

Jurisdiction Name	Site Address/Intersection	5 Digit ZIP Code	Assessor Parcel Number	Consolidated Sites	General Plan Designation (Current)	Zoning Designation (Current)	Minimum Density Allowed (units/acre)	Max Density Allowed (units/acre)	Parcel Size (Acres)	Existing Use/Vacancy	Infrastructure	Publicly-Owned	Site Status	Identified in Last/Last Two Planning Cycle(s)	Lower Income Capacity	Moderate Income Capacity	Above Moderate Income Capacity	Total Capacity	Optional Information1 [Notes]	Optional Information2 [Project Status]	Optional Information3 [Project Name]
SANTA CLARA	2909 Corvin Drive 137	95051	216-63-034	G	MDRE	LSAP	20	36	0.015456	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2909 Corvin Drive 135	95051	216-63-035	G	MDRE	LSAP	20	36	0.015076	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2909 Corvin Drive 133	95051	216-63-036	G	MDRE	LSAP	20	36	0.015486	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2911 Noyce Place 189	95051	216-63-037	G	MDRE	LSAP	20	36	0.016692	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2911 Noyce Place 187	95051	216-63-038	G	MDRE	LSAP	20	36	0.015251	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2911 Noyce Place 185	95051	216-63-039	G	MDRE	LSAP	20	36	0.015603	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2911 Noyce Place 183	95051	216-63-040	G	MDRE	LSAP	20	36	0.01509	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2911 Noyce Place 181	95051	216-63-041	G	MDRE	LSAP	20	36	0.016675	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2913 Corvin Drive 155	95051	216-63-042	G	MDRE	LSAP	20	36	0.017455	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2913 Corvin Drive 153	95051	216-63-043	G	MDRE	LSAP	20	36	0.015685	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2913 Corvin Drive 151	95051	216-63-044	G	MDRE	LSAP	20	36	0.015311	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2913 Corvin Drive 149	95051	216-63-045	G	MDRE	LSAP	20	36	0.015696	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2913 Corvin Drive 147	95051	216-63-046	G	MDRE	LSAP	20	36	0.015283	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2913 Corvin Drive 145	95051	216-63-047	G	MDRE	LSAP	20	36	0.016728	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2915 Corvin Drive 167	95051	216-63-048	G	MDRE	LSAP	20	36	0.01766	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2915 Corvin Drive 165	95051	216-63-049	G	MDRE	LSAP	20	36	0.015871	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2915 Corvin Drive 163	95051	216-63-050	G	MDRE	LSAP	20	36	0.015453	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2915 Corvin Drive 161	95051	216-63-051	G	MDRE	LSAP	20	36	0.015863	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2915 Corvin Drive 159	95051	216-63-052	G	MDRE	LSAP	20	36	0.015462	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2915 Corvin Drive 157	95051	216-63-053	G	MDRE	LSAP	20	36	0.016921	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 3305 Kifer Road (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-001	F	MDRE	LSAP	20	36	0.018175	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-002	F	MDRE	LSAP	20	36	0.014359	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-003	F	MDRE	LSAP	20	36	0.013386	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-004	F	MDRE	LSAP	20	36	0.013886	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-005	F	MDRE	LSAP	20	36	0.014359	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-006	F	MDRE	LSAP	20	36	0.018212	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-007	F	MDRE	LSAP	20	36	0.018166	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-008	F	MDRE	LSAP	20	36	0.017487	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-009	F	MDRE	LSAP	20	36	0.014832	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-010	F	MDRE	LSAP	20	36	0.013556	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-011	F	MDRE	LSAP	20	36	0.018148	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-012	F	MDRE	LSAP	20	36	0.018203	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-013	F	MDRE	LSAP	20	36	0.018174	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-014	F	MDRE	LSAP	20	36	0.01436	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-015	F	MDRE	LSAP	20	36	0.013388	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-016	F	MDRE	LSAP	20	36	0.01339	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-017	F	MDRE	LSAP	20	36	0.014365	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-018	F	MDRE	LSAP	20	36	0.018157	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-019	F	MDRE	LSAP	20	36	0.017459	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-020	F	MDRE	LSAP	20	36	0.014843	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-021	F	MDRE	LSAP	20	36	0.01355	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-022	F	MDRE	LSAP	20	36	0.017479	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-023	F	MDRE	LSAP	20	36	0.018039	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-024	F	MDRE	LSAP	20	36	0.018147	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-025	F	MDRE	LSAP	20	36	0.018169	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-026	F	MDRE	LSAP	20	36	0.014816	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-027	F	MDRE	LSAP	20	36	0.013542	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-028	F	MDRE	LSAP	20	36	0.017469	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-029	F	MDRE	LSAP	20	36	0.019411	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-030	F	MDRE	LSAP	20	36	0.013386	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-031	F	MDRE	LSAP	20	36	0.013029	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-032	F	MDRE	LSAP	20	36	0.019274	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-033	F	MDRE	LSAP	20	36	0.012775	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	4	34	38		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-034	F	MDRE	LSAP	20	36	0.014202	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-035	F	MDRE	LSAP	20	36	0.014205	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-036	F	MDRE	LSAP	20	36	0.012779	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-037	F	MDRE	LSAP	20	36	0.016811	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2961 Corvin Drive	95051	216-66-038	F	MDRE	LSAP	20	36	0.017874	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	0	0		Under Construction	LSAP 2961 Corvin Drive (Toll Brothers)
SANTA CLARA	2935 El Camino Real	95051	220-32-059	F	MDRE	PD	20	36	1.873895	Under Construction (pending project)	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	4	44	48	Previously Zoned CT	Under Construction	3035 El Camino Real Residential Project
SANTA CLARA	2213 El Camino Real	95050	224-15-029	RMU	CC	RMU	37	50	1.231422	Low Intensity Retail / Commercial (strip mall)	Yes - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	32	14	0	46	rounding error	Under Construction	Sites to be Rezonned
SANTA CLARA	2065 El Camino Real	95050	224-15-037	RMU	CT	RMU	37	50	6.363758	Low Intensity Retail / Commercial (strip mall)	Yes - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	167	71	0	238	Sites to be Rezonned	Under Construction	Sites to be Rezonned
SANTA CLARA	2330 Monroe Street	95050	224-37-068	MDR	R1-6L	MDR	20	36	2.690116	Under Construction (pending project)	YES - Current	YES - City-Owned	Pending Project	Not Used in Prior Housing Element	64	0	1	65	R1-6L zoning approved using AB 31		

HCD Electronic Sites Inventory Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need

Jurisdiction Name	Site Address/Intersection	5 Digit ZIP Code	Assessor Parcel Number	Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income	Type of Shortfall	Parcel Size (Acres)	Current General Plan Designation	Current Zoning	Proposed General Plan (GP) Designation	Proposed Zoning	Minimum Density Allowed	Maximum Density Allowed	Total Capacity	Vacant/ Nonvacant	Description of Existing Uses	Infrastructure	Optional Information1	Optional Information2
SANTA CLARA	4341 El Camino Real	95051	213-37-015	13	10	10	0	Shortfall of Sites	0.9	RMU	CT	RMU	RMU	37	50	33	Non-Vacant	Commercial	YES - Current	1973	0.72
SANTA CLARA	3775 El Camino Real	95051	213-35-035	20	15	15	0	Shortfall of Sites	1.32	RMU	CC	RMU	RMU	37	50	49	Non-Vacant	Commercial	YES - Current	1980	0.81
SANTA CLARA	3755 El Camino Real	95051	213-35-032	17	13	13	0	Shortfall of Sites	1.16	RMU	CC	RMU	RMU	37	50	43	Non-Vacant	Commercial	YES - Current	1978	0.37
SANTA CLARA	3725 El Camino Real	95051	213-34-008	8	6	6	0	Shortfall of Sites	0.56	RMU	CC	RMU	RMU	37	50	21	Non-Vacant	Commercial	YES - Current	1971	0.24
SANTA CLARA	3735 El Camino Real	95051	213-34-012	27	20	20	0	Shortfall of Sites	1.83	RMU	CC	RMU	RMU	37	50	68	Non-Vacant	Commercial	YES - Current	1972	0.16
SANTA CLARA	3705 El Camino Real	95051	213-34-010	66	50	50	0	Shortfall of Sites	4.47	RMU	CC	RMU	RMU	37	50	165	Non-Vacant	Commercial	YES - Current	1972	0.43
SANTA CLARA	3615 El Camino Real	95051	213-34-004	53	40	40	0	Shortfall of Sites	3.58	RMU	CC	RMU	RMU	37	50	132	Non-Vacant	Commercial	YES - Current	1972	0.25
SANTA CLARA	1460 Halford Avenue	95051	313-05-012	17	13	13	0	Shortfall of Sites	1.18	RMU	CC	RMU	RMU	37	50	44	Non-Vacant	Commercial	YES - Current	1973	0.63
SANTA CLARA	1484 Halford Avenue	95051	313-05-011	19	14	14	0	Shortfall of Sites	1.29	RMU	CC	RMU	RMU	37	50	48	Non-Vacant	Commercial	YES - Current	1973	0.12
SANTA CLARA	3750 El Camino Real	95051	313-05-010	10	7	7	0	Shortfall of Sites	0.67	RMU	CC	RMU	RMU	37	50	25	Non-Vacant	Commercial	YES - Current	1976	0.17
SANTA CLARA	3740 El Camino Real	95051	313-06-003	10	7	7	0	Shortfall of Sites	0.66	RMU	CC	RMU	RMU	37	50	24	Non-Vacant	Commercial	YES - Current	1968	0.17
SANTA CLARA	3590 El Camino Real	95051	290-01-115	10	7	7	0	Shortfall of Sites	0.67	RMU	CT	RMU	RMU	37	50	25	Non-Vacant	Commercial	YES - Current	1967	0.11
SANTA CLARA	3580 El Camino Real	95051	290-01-116	23	17	17	0	Shortfall of Sites	1.56	RMU	CT	RMU	RMU	37	50	58	Non-Vacant	Commercial	YES - Current	1970	0.37
SANTA CLARA	3570 El Camino Real	95051	290-01-117	6	4	4	0	Shortfall of Sites	0.39	RMU	CT	RMU	RMU	37	50	14	Non-Vacant	Commercial	YES - Current	1968	0
SANTA CLARA	2789 El Camino Real	95051	216-01-059	21	16	16	0	Shortfall of Sites	1.41	RMU	CT	RMU	RMU	37	50	52	Non-Vacant	Commercial	YES - Current	1991	0.52
SANTA CLARA	2775 El Camino Real	95051	216-01-058	19	14	14	0	Shortfall of Sites	1.25	RMU	CT	RMU	RMU	37	50	46	Non-Vacant	Commercial	YES - Current	1991	0.44
SANTA CLARA	2725 El Camino Real	95051	216-01-040	17	13	13	0	Shortfall of Sites	1.15	RMU	CT	RMU	RMU	37	50	43	Non-Vacant	Commercial	YES - Current	1987	0.26
SANTA CLARA	2213 El Camino Real	95050	224-15-029	18	14	14	0	Shortfall of Sites	1.22	RMU	CT	RMU	RMU	37	50	45	Non-Vacant	Commercial	YES - Current	1962	0.43
SANTA CLARA	2065 El Camino Real	95050	224-15-037	95	71	71	0	Shortfall of Sites	6.43	RMU	CC	RMU	RMU	37	50	238	Non-Vacant	Commercial	YES - Current	1952	0.48
SANTA CLARA	2200 El Camino Real	95050	290-10-078	13	10	10	0	Shortfall of Sites	0.89	RMU	CC	RMU	RMU	37	50	33	Non-Vacant	Commercial	YES - Current	1979	0.2
SANTA CLARA	2120 El Camino Real	95050	290-10-028	14	11	11	0	Shortfall of Sites	0.97	RMU	CC	RMU	RMU	37	50	36	Non-Vacant	Commercial	YES - Current	2013	0.67

Notes:

State law also includes specific criteria for assessment of the realistic availability of non-vacant sites during the planning period. If non-vacant sites accommodate half or more of the lower-income need, the Housing Element must present “substantial evidence” that the existing use does not constitute an impediment to additional residential use on the site. Due to the built-out nature of Santa Clara, most sites have existing uses. Non-vacant sites included in the inventory have been selected using the following criteria, which are indicated for each non-vacant site in the detailed sites matrix included in Appendix B. A site identified under criterion 1, 2, or 3 requires no further factors. These criteria have been applied to all available sites (this does not include pending project sites).

- 1) Interest: Developer interest or property owner interest to redevelop the site.
- 2) Vacant Lots: Completely vacant lot.
- 3) City or County Ownership: Property is under City or County ownership, with defined intent to redevelop the site with a residential use at a higher density.
- 4) Redevelopment Trend for Existing Use: Uses that are similar to those that have been previously recycled in Santa Clara (e.g., industrial uses, small shopping centers, offices, stand-alone restaurants and retail uses, properties zoned exclusively for residential use that are currently developed well below the zoning capacity).
- 5) Participation in Specific Plan planning process: Property is located within a defined Specific Plan area and/or the property owner participated in the Specific Plan planning process.
- 6) Underutilized Residential Site. Property is zoned for residential use at a higher density than existing use or property is zoned residential and existing use is non-conforming.
- 7) Building/Land Value: Property improvement value is less than half of the land value (ratio is less than 1.00), indicating substantial underinvestment and the ability of a property owner to achieve financial gain through redevelopment.
- 8) Year: Structure was built prior to 1985 (and therefore over 36 years of age) but is not a designated or eligible historic structure, indicating that properties may need substantial improvements or replacement for maximum financial return.
- 9) Lease: Site has no existing tenant lease(s) or lease(s) expires or lease(s) have buy-out clauses within in 6th cycle planning period (where known).

HCD Comments March 28, 2023			Response / Revision
A. <u>Housing Needs, Resources, and Constraints</u>			
1. <i>Affirmatively further[ing] fair housing in accordance with Chapter 15 (commencing with Section 8899.50) of Division 1 of Title 2...shall include an assessment of fair housing in the jurisdiction. (Gov. Code, § 65583, subd. (c)(10)(A).)</i>			
	a.	<p><u>Local Data and Knowledge</u>: The element generally was not revised to address this requirement. The element must include local data, knowledge, and other relevant factors to discuss and analyze any unique attributes about the City related to fair housing issues. The element should complement federal, state, and regional data with local data and knowledge where appropriate to capture emerging trends and issues, including utilizing knowledge from local and regional advocates and service providers. Please see HCD’s prior review for additional information [11/18/22 B.1.c]</p>	<p><u>Chapter 3 AFFH</u> At beginning of chapter, included a new Local Knowledge section summarizing local community feedback received throughout the Housing Element Update process and key themes from the City's housing needs analysis.</p> <p>Throughout the chapter added conclusions within each section based on analysis of the data presented.</p> <p>At the beginning of the Assessment of Fair Housing Issues section, added text about the three main geographic areas of the City (north, central, south) that are referenced throughout the document.</p> <p>In the Race/Ethnicity section, added local data (three new tables, two new figures), along with supporting narrative/analysis. Added redlining map from 1937 and analysis connecting historic segregation with current patterns.</p> <p>In the Persons with Disabilities section, added local data in the form of two new tables showing the Santa Clara County and Santa Clara population with developmental disabilities by age (Table 13.3-10) and adult population with developmental disabilities by residence (Table 13.3-11), and supporting narrative.</p> <p>In a newly titled section called Affordability by Census Tract, included summary about LMI residents at the census block level.</p> <p>Added new Figure 13.3-23 Sites Inventory/TCAC Opportunity Areas - Composite Score, to show current 2023 HCD/TCAC opportunity areas, existing affordable housing, and all sites on the inventory.</p> <p>In the Transportation section, added figures showing existing transit and the Valley Hopper service, and analysis of local trends.</p> <p>In the Overcrowded Households section, added additional local data at the census tract level.</p> <p>Updated contributing factors matrix, added new actions/objectives in Chapter 2 Housing Plan relating to issues raised in the AFFH analysis.</p>
	b.	<p><u>Identified Sites and Affirmatively Furthering Fair Housing (AFFH)</u>: While the element generally identifies the number of units in the northeast region, it generally does not address this requirement. A full analysis should address the identified sites, including pipeline project, to accommodate the regional housing need allocation (RHNA) with respect to location (e.g., neighborhoods, planning areas, census tracts), the number of sites and units by all income groups and how that affects the existing patterns for all components of the assessment of fair housing (e.g., segregation and integration, access to opportunity). The element should also discuss whether the distribution of sites improves or exacerbates conditions such as isolating the RHNA by income group or not dispersing the RHNA by income throughout the City. If sites exacerbate conditions, the element should identify further program actions that will be taken to promote equitable quality of life throughout the community (e.g., housing mobility, new opportunities in higher resource or income areas, anti-displacement, and place-based community revitalization strategies).</p>	<p><u>Chapter 3 AFFH</u> Added new section called AFFH Analysis of the Sites Inventory with narrative and new Table 13.3-22 Sites Inventory Units by HCD/TCAC Opportunity Map Area, showing the distribution of the sites inventory units by income group/affordability category. Added maps of sites inventory sites overlaid on General Plan land use map, ADU trends map, and analysis on how production and preservation strategies will help address historic segregation patterns in South Santa Clara and prevent displacement.</p>

HCD Comments March 28, 2023			Response / Revision
	c.	<u>Contributing Factors to Fair Housing Issues</u> : Based on a complete analysis, the element should re-assess and prioritize contributing factors to fair housing issues.	<u>Chapter 3 AFFH</u> Added a new section called Contributing Factors, revised Table 13.3-23 AFFH Meaningful Actions Matrix to include re-assessment and prioritization of contribution factors to fair housing issues.
<i>Include an analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected needs for all income levels, including extremely low-income households. (Gov. Code, § 65583, subd. (a)(1).)</i>			
2. <i>Analyze any special housing needs such as elderly; persons with disabilities, including a developmental disability; large families; farmworkers; families with female heads of households; and families and persons in need of emergency shelter. (Gov. Code, § 65583, subd. (a)(7).)</i>			
<i>Include an analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding, and housing stock condition. (Gov. Code, § 65583, subd. (a)(2).)</i>			
	a.	<u>Extremely Low-Income (ELI) Households</u> : The element now generally describes the effectiveness of strategies, and the magnitude of the housing need for ELI housing needs, However, as noted in the prior review, the element should analyze the housing needs of ELI households, including tenure and overpayment, and add or modify programs as appropriate. This is particularly important given the disproportionate housing needs of ELI households.	<u>Chapter 4 Housing Needs</u> In Extremely Low Income (ELI) Households section, added analysis showing lower income households experience overpayment at a much higher rate compared to all households. In Elderly (65+ years) section, added new Table 13.4-12: Senior Households by Income and Tenure and Table 13.4-13: Cost-Burdened Senior Households by Income Level and analysis showing senior ELI and VLI households are cost-burdened or severely cost-burdened at a much higher rate compared to all other senior households.
	b.	<u>Special Housing Needs</u> : The element was revised with minimal analysis on special housing needs, it must include additional analysis to address the finding. For a complete analysis of each population group, the element should discuss challenges faced by the population, the existing resources to meet those needs (availability senior housing units, number of large units, number of deed restricted units, etc.), an assessment of any gaps in resources, and proposed policies, programs, and funding to help address those gaps.	<u>Chapter 4 Housing Needs</u> At the beginning of the Special Housing Needs section, added conclusion based on analysis, confirmed by public comments received, of each special housing needs population group acknowledging the challenges faced by those populations, the need for additional resources to meaningfully address special housing needs, and referencing the City's housing programs that will help address the gaps in resources to meet their needs. At the end of each of the sections on Persons with Disabilities including persons with Developmental Disabilities, Elderly (65+ years), and Large Households (5+ members), added conclusions about the gap between existing resources and future needs. <u>Chapter 2 Housing Plan</u> Under Action 1 Provision of a Variety of Housing Types, added discrete objective to increase the stock of ELI/VLI rental housing designed for persons with disabilities and elderly persons, and to increase the stock of restricted 3 and 4 bedroom affordable rental units to serve large households. Added ongoing objective to annually explore regional and state funding sources to build more housing opportunities for persons with disabilities and for ELI households.
	c.	In addition, while the element now quantifies persons with disability by type, it still must quantify elderly households by tenure and permanent and seasonal farmworkers using USDA agricultural census data.	<u>Chapter 4 Housing Needs</u> In Elderly (65+) section, added new Table 13.4-12 Senior Households by Income and Tenure In Farmworker section, included additional narrative and data (new tables 13.4-15: Farm Operations and Farm Labor in Santa Clara County and 13.4-16: Migrant Worker Student Population).

HCD Comments March 28, 2023		Response / Revision
3. <i>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).)</i>		
a.	<p><u>Progress in Meeting the RHNA:</u> The element now demonstrates the anticipated affordability of approved, under construction and proposed developments through mechanisms such as affordable housing agreements and mentions approved projects are anticipated to be completed on or after June 30, 2022. However, the element must still address the availability of approved and proposed projects in the planning period and should include a program to monitor availability and take alternative action, if necessary, especially given the noted uncertainty associated with proposed projects (p. 13.6-5). Please see HCDs prior review for additional information. [11/18/22 B.3.a]</p>	<p><u>Chapter 2 Housing Plan</u> Action 9 Zoning Ordinance - Under Zoning Ordinance updated discrete objective, added administrative permit extension Action 10 Adequate Sites Inventory - Added 3 ongoing objectives to: - monitor approved/proposed projects on the Housing Sites Inventory - proactively notify applicants to apply for extension when entitlement nearing expiration - if proposed projects not approved within 2 years of HCD certificaiton of Housing Element, include additonal sites, as needed to ensure sufficient capacity to meet RHNA at all income levels</p> <p><u>Chapter 6 Housing Resources</u> In Pending or Proposed Projects section, added narrative explaining steps City will take to ensure pending/proposed projects complete development process and result in new units.</p>
b.	<p>In addition, the element was not revised to address the realistic capacity of the large several specific plans that were identified. As noted in HCDs prior review, the element should discuss planned built out horizons, necessary steps to make sites available and any impediments to the availability of sites for development in the planning period.</p>	<p><u>Chapter 6 Housing Resources</u> In the Realistic Capacity Calculations seciton, included additional methodology for calculating realistic capacity, buildout horizons for specific plan areas, and description of impediments to development.</p> <p><u>Chapter 2 Housing Plan</u> Added Action 19 Tasman East Specific Plan Amendment to add 1,500 units of capacity and update Tasman East infrastructure fee</p>
c.	<p><u>Parcel Inventory:</u> The element was revised to add the general plan designation of identified sites but should still describe existing uses as noted in the prior review. Specifically, the description of existing use is generic and must include sufficient detail to facilitate an analysis of the potential for addition development on nonvacant sites. For example, many sites describe existing uses as commercial or industrial. Instead, the inventory could describe the existing use through factors such as age and condition of the existing structure expressed developer interest, low improvement to land value ratio, and other relevant factors.</p>	<p><u>Chapter 6 Housing Resources</u> In the Realistic Capacity and Suitability of Non-Vacant Sites Section, added information about specific criteria used for assessment of the realistic availability of non-vacant sites during the planning period.</p> <p><u>Appendix B Sites Inventory</u> Added information to Sites Inventory table indicating relevant factors such as age, development interest, improvement to land value ratio. Included notes regarding specific criteria used for assessment of the realistic availability of non-vacant sites during the planning period.</p>
d.	<p><u>Suitability of Nonvacant Sites:</u> The element generally was not revised to address this requirement and demonstrate the potential for redevelopment of nonvacant sites. Further, the element should respond to the various site suitability issues described by comments received as part of this review. Please see HCD’s prior review for additional information.</p>	<p><u>Chapter 6 Housing Resources and Appendix B Sites Inventory</u> In response to comments received regarding site suitability, modified the Realistic Capacity and Suitability of Non-Vacant Sites section in Chapter 6 and removed several sites from the inventory. To address the reduction in the realistic capacity of sites to accommodate sufficient VLI units to meet the RHNA with an adequate buffer, rezoning sites were added along the El Camino Real corridor.</p> <p><u>Chapter 6 Housing Resources</u> In the Re-use of Sites section added language about sites that are subject to the re-use provisions of AB 1397 (2017) and that Action 9 Zoning Ordinance (Chapter 2 Housing Plan) will include provisions that any nonvacant site in the 6th Cycle Housing Element that was identified in a previous Housing Element would need to provide a minimum of 20 percent of the units affordable to lower income households in order to be approved by right.</p>

HCD Comments March 28, 2023		Response / Revision
e.	In addition, as noted in the prior review, if the housing element relies upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households, the housing element must demonstrate that the existing use is not an impediment to additional residential development in the planning period. (Gov. Code, § 65583.2, subd. (g)(2).) Absent findings (e.g., adoption resolution) based on substantial evidence, the existing uses will be presumed to impede additional residential development and will not be utilized toward demonstrating adequate sites to accommodate the RHNA. Based on a cursory review, the City’s current Resolution Number 23-9189 does not appear to make the appropriate findings to demonstrate uses will likely discontinue in the planning period and any future re-adoption must address this requirement, if necessary.	<u>Re-Adoption Resolution</u> Revised to include required findings to demonstrate uses will likely discontinue in the planning period.
f.	<u>Availability of Infrastructure:</u> The element discusses infrastructure management plans and indicates infrastructure capacity is not a constraint on development but should also clearly state whether there is sufficient existing or planned total capacity to accommodate the RHNA. In addition, the element states the City has specific procedures to grant priority for water and sewer service to developments with units affordable to lower-income households , but then explains if a provision is not part of the regulatory framework the City will commit to adopting a procedure within the next year with no program provided. The element should clearly state whether a written procedure is available and, if not, add a program to establish a procedure by a specified date.	<u>Chapter 5 Constraints</u> In the Water Supply section, added statement that the Addendum to the 2010 General Plan Update for the 6th Cycle Housing Element consolidates information about the prior water supply assessments for the development anticipated in the City's General Plan, including Specific Plan areas, and concludes that there is sufficient existing capacity to accommodate the City's RHNA. <u>Chapter 2 Housing Plan</u> Added Action 20 Water and Sewer Affordable Housing Service Provisions with discrete objective to adopt procedures within six months of certification of the Housing Element to grant priority water and sewer service to development with units affordable to lower-income households.
g.	<u>Electronic Sites Inventory:</u> 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. While the City has submitted an electronic sites inventory, if any changes occur, the City should submit the revised inventory to HCD as part of any future re-adoption submittal.	A revised Electronic Sites Inventory will be submitted to HCD as part of the re-adoption submittal
i.	<u>Zoning for a Variety of Housing Types (Emergency Shelters):</u> The element now clarifies emergency shelters are currently permitted in the ML (Light Industrial) zone and are proposed to be permitted in several zones. However, the element was not revised to address HCD’s prior finding regarding various requirements such as non-discretionary review, suitability of sites, development standards and constraints. Please see HCD’s prior review for additional information. [11/18/22 B.3.i]	<u>Chapter 5 Constraints</u> In Emergency Shelters section, added discussion that existing constraints to the location of emergency shelters are proposed to be removed as part of the Zoning Ordinance Update which will allow emergency shelters by right in the R-3 and R-4 Residential districts, the C-C and C-R Commercial districts, and the MU-VHD Mixed Use district, and with the issuance of a Minor Use Permit in the LI Light Industrial and PQP Public/Quasi-Public districts. <u>Chapter 2 Housing Plan</u> Action 9 Zoning Ordinance, added bullet listing above changes that will expand the potential locations for emergency shelters throughout the City. <u>Chapter 4 Housing Needs</u> In People Experiencing Homelessness section, added background information/data on emergency shelters and listed objective development standards for by-right permitting of emergency shelters.

HCD Comments March 28, 2023		Response / Revision
	j. In addition, please be aware Chapter 654, Statutes of 2022 (AB 2339), adds specificity on how cities and counties plan for emergency shelters and ensure sufficient and suitable capacity. Future submittals of the housing element may need to address these statutory requirements. For additional information and timing requirements, please see HCD’s memo at https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/ab2339-notice.pdf.	<u>Chapter 4 Housing Needs</u> In the People Experiencing Homelessness section, identifies that the current permitting process for emergency shelters, which limits the number of beds that can be permitted by right in the City based on the prior year's count of people experiencing homelessness, will be removed as part of the Zoning Ordinance Update.
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, and local processing and permit procedures... (Gov. Code, § 65583, subd. (a)(5).)		
	a. <u>Land Use Controls</u> : The element was generally not revised to address HCDs prior findings regarding heights and lot coverages as constraints. Please see HCD’s prior review for additional information. [11/18/22 B.4.a]	<u>Chapter 5 Constraints</u> To address HCDs prior comment that, "the analysis should specifically address heights, lot coverages, parking, and parking in the MU and TMU zones" a paragraph was added noting that both the MU - Mixed Use and TMU - Transit-oriented Mixed Use districts have not been used to zone any parcels within the City and have not been included in the City's Zoning Ordinance Update because there are no parcels in the City with a corresponding General Plan land use designation.
	b. In addition, Action 3 (Affordable Housing Incentives and Facilitation) and Action 9 (Zoning Ordinance) should go beyond reviewing parking standards and make specific commitment to reduce or revise parking requirements and ensure parking requirements do not constrain development.	<u>Chapter 2 Housing Plan</u> Action 3 Affordable Housing Incentives and Facilitation, revised ongoing objective noting that reduced parking requirements for transit-rich environments (from Zoning Ordinance Update) will be applied to the City's long-range plans. Action 9 Zoning Ordinance, in introductory language, described revisions to parking provisions that include reduced parking requirements and unbundled parking for multi-family uses in transit-rich environments.
	c. <u>Fees and Exaction</u> : While the element now quantifies the fees for a large multifamily development, it was not revised to address this finding of listing all pertinent fees as part of the cumulative fees analysis. Please see HCD’s prior review for additional information. [11/18/22 B.4.c]	<u>Chapter 5 Constraints</u> In Planning and Development Fees section, added to and revised narrative clarifying that Table 13.5-5 provides all fees that may be pertinent to different types of residential projects. Added notes to Table 13.5-5. Provided additional explanation of and conclusions from Table 13.5-6 and added notes to table with details of the residential prototype projects.
	d. <u>Local Processing and Permit Procedures</u> : The element now explains objective standards are used to demonstrate compliance with approval findings for architectural review. However, the element was not revised to address findings regarding the City’s planned development (PD) process. While the element now includes Action 9 (Zoning Ordinance) to reduce reliance on the PD process, it should include an analysis as described in HCD’s prior review to better formulate the appropriate programmatic response. Please see HCD’s prior review for additional information. [11/18/22 B.4.d]	<u>Chapter 5 Constraints</u> In the Planned Development section, added data (including Table 13.5-8) showing the limited recent use of Planned Development (PD) zonings for residential development and text explaining why use of PDs has and will be further diminished with other by-right/non-discretionary approval processes.
	h. <u>Housing for Persons with Disabilities (Reasonable Accommodation)</u> : The element now discusses the City’s obligation to provide reasonable accommodation in zoning and land use but otherwise, provides no analysis to address HCD’s findings. For example, the element does not list or evaluate approval findings. Please see HCD’s prior review for additional information. [11/18/22 B.4.h]	<u>Chapter 5 Constraints</u> In the Reasonable Accommodation section, included section from both current Zoning Code and Zoning Ordinance Update listing findings for approval or denial of a reasonable accommodation request.
	i. <u>Inclusionary Housing</u> : While the element describes the broader inclusionary housing policy framework, it must also provide an analysis on the relationship between the inclusionary requirement and State Density Bonus Law (SDBL). For example, the element should describe how meeting the inclusionary requirement may be used toward eligibility for benefits under SDBL.	<u>Chapter 5 Constraints</u> In Inclusionary Housing section, added statement that the provision of affordable units through the City's Inclusionary Housing Ordinance count toward units provided for the purpose of receiving benefits under the state's density bonus law. Added note that, as part of Action 2 Affordable Housing Ordinance (Chapter 2 Housing Plan), staff will bring forward a revised ordinance that includes deeper affordability, with all projects subject to these new provisions eligible for density bonus benefits.

HCD Comments March 28, 2023		Response / Revision
j.	In addition, housing element outreach conduct identified that the 100 percent area median income affordability requirement was no longer feasible for residents. In response, the City commits to “assessing the feasibility” in Action 2 (Affordable Housing Ordinance). The City should go above “assessing feasibility” of the current affordable housing ordinance and make specific commitments to also revise the City affordability requirements after the feasibility study has been conducted and include annual outreach as parts of this efforts.	<u>Chapter 2 Housing Plan</u> Action 2 Affordable Housing Ordinance, under the "By the middle of 2025" discrete objective, added that the City will conduct community outreach to present and receive feedback on the feasibility study and will bring the study and summary of community feedback to the City Council.
5.	<i>Analyze existing assisted housing developments that are eligible to change to non-low- income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of use restrictions. (Gov. Code, § 65583, subd. (a)(9) through 65583(a)(9)(D).)</i>	
a.	HCDs prior review found the element should evaluate the risk of conversion; estimate and compare total costs; identify public and private non-profits. In response, the City adds cost comparison of units at-risk; however, the City still must include analysis on the risk of conversion and identify qualified entities.	<u>Chapter 4 Housing Needs</u> In the At-Risk Housing Analyses section, identified examples of qualified entities and added assessment of risk of conversion. Estancia project removed from table of At-Risk projects because the affordability term, which is tied to their ground sub-lease term runs until July 1, 2053.
b.	In addition, Action 5 (Preservation of Assisted Rental Housing) now includes general commitment to work with property owners “when possible”. However, the Action should make specific commitments to monitor at-risk units annually, coordinate with qualified entities annually, prioritize available funding to assist property owners and tenants at risk of conversion.	<u>Chapter 2 Housing Plan</u> Action 5 Preservation of Assisted Rental Housing & NOAH, update introductory language to reflect that there are four (not five) assisted rental projects with a total of 45 units that are identified to be a potential, albeit very low, risk of conversion to market rate use between June 2028 and October 2031. Revised action and objectives to include monitoring of deed restricted and naturally occurring affordable housing (NOAH). Revised and added to ongoing objectives to make specific commitments to annually monitor and analyze inventory of at-risk units, to coordinate with qualified entities, work with tenants of at-risk units, and to explore new regional and state funding sources for preservation projects.
B. <u>Housing Programs</u>		
1.	<i>Include 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... (Gov. Code, § 65583, subd. (c).)</i>	
a.	Programs must demonstrate that they will have a beneficial impact within the planning period. Beneficial impact means specific commitment to deliverables, measurable metrics or objectives, definitive deadlines, dates, or benchmarks for implementation. Deliverables should occur early in the planning period to ensure actual housing outcomes. However, the following programs must be revised to include specific commitments and definitive timeline as follows:	<u>Chapter 2 Housing Plan</u> In addition to the revisions described below that address HCDs specfic comments on Actions 1, 3, 4, 11, 15, and 16, the City has revised several other Housing Plan actions and objectives to strengthen the City's commitment to accomplishing those programs within more defined timelines.
	Action 1 (Provision of a Variety of Housing Types) : The City should commit to identifying housing opportunities and pursing funds at least annually to support ELI households and persons with disabilities.	Action 1, added new objective to annually explore regional and state funding sources to build more housing opportunities for persons with disabilities and for extremely low-income households.
	Action 3 (Affordable Housing Incentives and Facilitation) : The Program was revised to include timing; however, language such as “ explore “should be removed or modified with commitment to actual housing outcomes.	Revised objective regarding Naturally Occurring Affordable Housing (NOAH) to replace "explore" language with "continue to coordinate with qualified entities" and moved from Action 3 Affordable Housing Incentives and Facilitation to Action 5 which was expanded to include Preservation of Assisted Rental Housing & NOAH.
	Action 4 (Maintenance of Housing Stock) : The Program now commits to conducting outreach to determine interest and feasibility but should include subsequent actions toward actual housing outcomes such as funding activities.	Action 4, added discrete objective that by fall 2025, the City will market future CDBG capital Notices of Funding Availability (NOFAs) to residential care facilities for repair and renovation work to begin in summer 2026, with the NOFA including extra points for projects that serve persons with disabilities and/or ELI households.

HCD Comments March 28, 2023			Response / Revision
		Action 11 (Impact Fees) : Timelines identified should be revised to reflect implementation during the eight-year planning period.	Action 11, timelines revised for implementation of discrete objectives to occur during the 6th Cycle Housing Element.
		Action 15 (Homeownership for First-Time Buyers) : The Program should add discrete timing for action implementation for outcomes (e.g., 2025).	Action 15, revised discrete objective to present proposed changes to BMP program from Housing Commission to City Council and added date for implementation of change by December 2025.
		Action 16 (Fair Housing Programs) : Action items identified should be revised to include timelines.	Action 16, revised and added new discrete objectives with specific timelines for City Council consideration/implementation
2. 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 Government Code 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. (Gov. Code, § 65583, subd. (c)(1).)			
	a.	As noted in Finding A3, 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.	<u>Chapter 2 Housing Plan</u> Action 9 Zoning Ordinance, based on complete site analysis, to address a shortfall of sites available to accommodate lower income housing units, added discrete objective to apply adopted zoning designations consistent with the City's General Plan, which will add additional housing sites totaling 1,242 units to the El Camino Real corridor. Also see Chapter 6 Housing Resources, revisions to Realistic Capacity Calculation section and Table 13.6-5 Sites to Meet the RHNA that include the El Camino Real rezoning sites.
	b.	In addition, the element includes Actions 1 (Variety of Housing Types) and 9 (Zoning Ordinance) to amend zoning to allow a variety of housing types, including SROs, employee housing, emergency shelters, low barrier navigation centers and by-right permanent supportive housing. However, the element should be revised to include at least parameters or certainty for the outcome of these commitments such as comply with state law citing government code or describing requirements (e.g., permit without discretionary action). In addition, the actions should commit to amending zoning for emergency shelters as described on page 13.5-10 and remove ambiguous and non-committal language such as “as necessary”.	<u>Chapter 2 Housing Plan</u> Action 1 Provision of a Variety of Housing Types, added language clarifying that the Zoning Ordinance update will include provisions allowing a variety of housing types through a by-right approval process using objective standards. Action 9 Zoning Ordinance, added bullet listing changes that will expand the potential locations for emergency shelters throughout the City. Removed non-committal "as necessary" language. Also see response to HCD comment A.3.j
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. (Gov. Code, § 65583, subd. (c)(3).)			
	a.	As noted in Finding A4, the element requires a complete analysis of potential governmental constraints. Depending upon the results of that analysis, the City may need to revise or add programs and address and remove or mitigate any identified constraints.	See Response / Revisions under A.4
	b.	In addition, Action 9 (Zoning Ordinance) was not revised to address all HCDs prior findings. Specifically, the City now acknowledges group homes of seven or more; however, it must commit to amend zoning for a variety of housing types in Action 1 by a specific date and clarify that zoning and permit procedures will be amended to permit these housing types in all zones allowing residential use with objective standards to facilitate approval certainty similar to other residential uses.	<u>Chapter 2 Housing Plan</u> Action 1 Provision of a Variety of Housing Types, added language clarifying that the Zoning Ordinance update will include provisions allowing a variety of housing types, including residential care facilities (group homes), through a by-right approval process using objective standards. Action 9 Zoning Ordinance, specified date (by November 2023) for completion of Zoning Ordinance update.

HCD Comments March 28, 2023			Response / Revision
4. <i>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).)</i>			
	a.	As noted in Finding A1, the element must include a complete analysis of AFFH. Based on the outcomes of that analysis, the element must add or modify programs. Additionally, the element included Table 13.3-20 (p. 13.3-72) identifying AFFH actions the City could take to address fair housing issues. For example, the Table notes the City could increase housing choice voucher (HCV) mobility and acquire properties for affordable housing. However, beyond promoting HCVs and exploring property acquisitions, the actions do not include specific commitments to addressing fair housing issues. Goals and actions must specifically respond to the analysis and to the identified and prioritized contributing factors to fair housing issues and must be significant and meaningful enough to overcome identified patterns and trends. Actions must have specific commitment, metrics, milestones, and geographic targeting and, as appropriate, must address housing mobility enhancement, new housing choices and affordability in higher opportunity and income areas, concentrated areas of affluence and place-based strategies toward community revitalization and displacement protection.	<u>Chapter 3 AFFH and Chapter 2 Housing Plan</u> Updated AFFH analysis and revised Housing Plan to include more specific goals and metrics toward mobility, outreach and education, new housing choices in South Santa Clara, and place-based strategies for increasing pedestrian/bike safety access in MTC Equity Priority Communitites and improving access to oportunity in HUD designated low/moderate income census tracts using CDBG dollars. See Respoonse / Revisions under A.1
5. <i>Develop a plan that incentivizes and promotes the creation of accessory dwelling units that can be offered at affordable rent, as defined in Section 50053 of the Health and Safety Code, for very low, low-, or moderate-income households. For purposes of this paragraph, "accessory dwelling units" has the same meaning as "accessory dwelling unit" as defined in paragraph (4) of subdivision (i) of Section 65852.2. (Gov. Code, § 65583, subd. (c)(7).)</i>			
	a.	Action 1 (Provision of a Variety of Housing Types) now commits to establish incentives to promote accessory dwelling units (ADU) as well as monitoring the production of ADUs. However, the Action should also monitor affordability, specify when a plan will be presented to the City Council and specify when an alternative strategy will be implemented (e.g., within six months). In addition, the Action should clarify that rezoning may be necessary as part of alternative actions.	<u>Chapter 2 Housing Plan</u> Action 1 Provision of a Variety of Housing Types, modified ongoing objective to include timeline (within six months of acceptance of APR) to present a plan to City Council to remove barriers and/or further incentivize ADU production (e.g., through additional Zoning changes) if the pace of production falls below anticipated levels. Added ongoing objective to continue participating in the development and implementation of the Santa Clara County Planning Collaborative ADU Program.
D. Quantified Objectives			
1. <i>Establish the number of housing units, by income level, that can be constructed, rehabilitated, and conserved over a five-year time frame. (Gov. Code, § 65583, subd. (b)(1 & 2).)</i>			
	a.	The element was revised to include minimal ELI objectives added for rehabilitation and conservation while also reducing overall conservation and rehabilitation objectives. The City must revise overall conservation and rehabilitation objectives to target meaningful outcomes in the planning period. As noted in HCDs previous review, conservation units should not be limited to only units at-risk and should include other activities the City has undertaken to rehabilitate and conserve housing. Please see HCD’s prior review for additional information. [11/18/22 D.1.a]	<u>Chapter 2 Housing Plan</u> In the Quantified Objectives section, modified Table 13.2-1 Quantified Objectives to more clearly show the breakdown of units to be constructed, rehabilitated, and conserved by income level. Increased the total number of rehabilitation units and increased the total number of conservation units to include more than the units at-risk of conversion. Added explanatory footnotes below table and noted which actions in the Housing Plan support the quantified objectives for units to be rehabilitated and conserved.

HCD Comments March 28, 2023			Response / Revision
E. Public Participation			
1. <i>Local governments shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the Housing Element, and the element shall describe this effort. (Gov. Code, § 65583, subd.(c)(9).)</i>			
	a.	While the City made effort to include the public through workshops and surveys, and summarized public comments received and identified how public concerns were addressed. However, HCD received comments on this review that should be addressed, including considering and incorporating comments as appropriate. Example of issues include errantly listing small sites as aggregated sites, calculations of residential capacity and existing uses that impeded additional development in the planning period.	<u>Appendix A</u> Housing Action Coalition (HAC) 1/22/23 and 2/23/23 comment letters added. See revisions to Chapter 6 Housing Resources, summarized in section A.3 above
	b.	Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the City should continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available and 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.	Throughout the process, the City's Housing Element Update page has been regularly maintained with updated background information, key public/stakeholder outreach dates, and documents, including all prior draft Housing Element documents and correspondence/comments received. The City's Housing Element Update topic subscribers (1,926 as of 6/9/23) have received bulletins (emails) to alert them about the availability of drafts of the Housing Element and public hearing dates. Revisions to the Housing Element will be posted for a minimum of seven days prior to submittal to HCD.
F. Consistency with General Plan			
1. <i>The Housing Element shall describe the means by which consistency will be achieved with other general plan elements and community goals. (Gov. Code, § 65583, subd. (c)(7).)</i>			
	a.	While the element states it has been prepared to maintain internal consistency, it still should discuss how consistency will be maintained throughout the entire planning period. For example, the element could describe internal consistency will be maintained as part of the annual progress report pursuant to Government Code section 65400 or as general plan amendments occur.	<u>Revised Chapter 1 Introduction</u> Added statement that General Plan consistency will be evaluated and maintained through annual progress report (APR) and as general plan amendments occur.

Attachment 5: Summary of Proposed Amendments to the Housing Element

The following is a summary of proposed amendments to the adopted City of Santa Clara 2023-2031 Housing Element to address the findings in HCDs March 28, 2023 comment letter. The proposed changes are organized by Housing Element chapter/appendix with reference to HCDs numbered comments.

Chapter 1 Introduction

- HCD F.1.a General Plan Consistency
 - Added statement that general plan consistency will be evaluated and maintained through annual APR and as general plan amendments occur

Chapter 2 Housing Plan

- HCD A.3.a Progress in Meeting the RHNA
 - Action 9 Zoning Ordinance – As part of Zoning Ordinance update discrete objective, added administrative permit extension
 - Action 10 Adequate Sites Inventory – Added 3 ongoing objectives to:
 - Monitor approved/proposed projects on the Housing Sites Inventory
 - Proactively notify applicants to apply for extension when their entitlement is nearing expiration
 - If proposed projects not approved within 2 years of HCD certification of Housing Element, include additional sites in inventory, as needed, to ensure sufficient capacity to meet City's RHNA at all income levels.
- HCD A.3.b Realistic Capacity
 - Added Action 19 Tasman East Specific Plan Amendment to add 1,500 units of capacity and update Tasman East infrastructure fee
- HCD A.3.f Availability of Infrastructure
 - Added Action 20 Water and Sewer Affordable Housing Service Provisions with discrete objective to adopt procedures within six months of certification of Housing Element to grant priority water and sewer service to development with units affordable to lower-income households.
- HCD A.3.i/j Emergency Shelters
 - Action 9 Zoning Ordinance, added bullet listing changes that will expand the potential locations for emergency shelters throughout the City
- HCD A.4.b Parking Requirements
 - Action 3 Affordable Housing Incentives and Facilitation, revised ongoing objective noting that reduced parking requirements for transit-rich environments (from zoning Ordinance Update) will be applied to the City's long-range plans.
 - Action 9 Zoning Ordinance, in introductory language, described revisions to parking provisions that include reduced parking requirements and unbundled parking for multi-family uses in transit-rich environments.
- HCD A.4.j Affordable Housing Ordinance
 - Action 2 Affordable Housing Ordinance, under the "By the middle of 2025" discrete objectives:
 - Revised "Assess the feasibility of updating the citywide affordable housing ordinance..." to "Update the citywide affordable housing ordinance..." and noting that complying with the proposed affordability requirements would entitle developers to use the Density Bonus provisions of state law.

- added that the City will conduct community outreach to present and receive feedback on the feasibility study and will bring the study and summary of community feedback to the City Council.
- HCD A.5.b Preservation of Assisted Rental Housing
 - Action 5 Preservation of Assisted Rental Housing & NOAH, update introductory language to reflect that there are four (not five) assisted rental projects with a total of 45 units that are identified to be a potential, albeit very low, risk of conversion to market rate use between June 2028 and October 2031. Revised action and objectives to include monitoring of naturally occurring affordable housing (NOAH). Revised and added to ongoing objectives to make specific commitments to annually monitor and analyze inventory of at-risk units, to coordinate with qualified entities, and work with tenants of at-risk units.
- HCD B.1.a Housing Programs
 - Action 1 Provision of a Variety of Housing Types
 - Under Ongoing Objectives:
 - Added new objective to annually explore regional and state funding sources to build more housing opportunities for persons with disabilities and for extremely low-income households.
 - Revised ADU production objective to include specific timeline for presenting plan to City Council if ADU production falls below expectations.
 - Added new objective to continue participating in the development and implementation of the Santa Clara County Planning Collaborative ADU Program.
 - Discrete Objective for Zoning Ordinance update
 - Revised adoption date to by November 2023
 - Added note that revised provisions to allow a variety of housing types will be through a by-right approval process using objective standards and added residential care facilities to list of housing types
 - Action 3 Affordable Housing Incentives and Facilitation
 - Revised objective regarding Naturally Occurring Affordable Housing (NOAH) to replace “explore” language with “continue to coordinate with qualified entities” and moved from Action 3 Affordable Housing Incentives and Facilitation to Action 5 which was expanded to include Preservation of Assisted Rental Housing & NOAH.
 - Action 4 Maintenance of Housing Stock
 - Added discrete objective that by fall 2025, the City will market future CDBG capital NOFAs to residential care facilities for repair and renovation work to begin in summer 2026, with the NOFA including extra points for projects that serve persons with disabilities and/or ELI households.
 - Action 11 Impact Fees
 - Timelines revised for implementation of discrete objectives to occur during the 6th Cycle Housing Element.
 - Action 15 Homeownership for First-time Buyers
 - Revised discrete objective to present proposed changes to BMP program from Housing Commission to City Council and added date for implementation of change by December 2025.

- Action 16 Fair Housing Programs
 - Revised and added new discrete objectives with specific timelines for City Council consideration/implementation.
 - Revised and added new ongoing objectives
- HCD B.2.a Sites and Zoning
 - Action 9 Zoning Ordinance, based on complete site analysis, to address a shortfall of sites available to accommodate lower income housing units, added discrete objective to apply adopted zoning designations consistent with the City's General Plan, which will add additional housing sites totaling 1,242 units to the El Camino Real corridor. Also see Chapter 6 Housing Resources, revisions to Realistic Capacity Calculation section and Table 13.6-5 Sites to Meet the RHNA that include the El Camino Real rezoning sites.
- HCD B.2.b Variety of Housing Types and Zoning Ordinance
 - Action 1 Provision of a Variety of Housing Types, added language clarifying that the Zoning Ordinance update will include provisions allowing a variety of housing types through a by-right approval process using objective standards.
 - Action 9 Zoning Ordinance, added bullet listing changes that will expand the potential locations for emergency shelters throughout the City. Removed non-committal "as necessary" language. Also see response to HCD comment A.3.j
- HCD B.3.a Mitigate Identified Constraints
 - See response / revisions to HCD comment A.4 in Chapter 5 and Chapter 2
- HCD B.3.b Group Homes
 - Action 1 Provision of a Variety of Housing Types, added language clarifying that the Zoning Ordinance update will include provisions allowing a variety of housing types, including residential care facilities (group homes), through a by-right approval process using objective standards.
 - Action 9 Zoning Ordinance, specified date (by November 2023) for completion of Zoning Ordinance update.
- HCD B.4.a Housing Plan/AFFH
 - Based on updated AFFH analysis, revised Housing Plan to include more specific goals and metrics toward mobility, outreach and education, new housing choices in south Santa Clara, and place-based strategies for increasing pedestrian/bike safety access in MTC Equity Priority Communities and improving access to opportunity in HUD designated LIM1 census tracts using CDBG dollars.
- HCD B.5.a ADUs
 - Action 1 Provision of a Variety of Housing Types, modified ongoing objective to include timeline (within six months of acceptance of APR) to present a plan to City Council to remove barriers and/or further incentivize ADU production (e.g., through additional Zoning changes) if the pace of production falls below anticipated levels. Added ongoing objective to continue participating in the development and implementation of the Santa Clara County Planning Collaborative ADU Program.
- HCD D.1.a Quantified Objectives
 - In the Quantified Objectives section, modified Table 13.2-1 Quantified Objectives to more clearly show the breakdown of units to be constructed, rehabilitated, and conserved by income level. Increased the total number of rehabilitation units and

increased the total number of conservation units to include more than the units at-risk of conversion. Added explanatory footnotes below table and noted which actions in the Housing Plan support the quantified objectives for units to be rehabilitated and conserved.

Chapter 3 Affirmatively Furthering Fair Housing (AFFH)

- HCD A.1.a Local Data and Knowledge
 - At beginning of chapter, included a new Local Knowledge section summarizing local community feedback received throughout the Housing Element Update process and key themes from the City's housing needs analysis
 - Throughout chapter added conclusions within each section from the data/analysis presented
 - At beginning of the Assessment of Fair Housing Issues section, added text about the three main geographic areas of the City (north, central, south) that are referenced throughout the document.
 - In the Race/Ethnicity section, added local data (three new tables, two new figures) with supporting narrative/analysis.
 - In the Persons with Disabilities section, added local data (two new tables) with supporting narrative/analysis.
 - In a newly titled section called Affordability by Census Tract, included summary about LMI residents at the census block level
 - Added new Figure 13.3-23 Sites Inventory/TCAC Opportunity Areas – Composite Score, to show current 2023 HCD/TCAC opportunity areas, existing affordable housing, and all sites on the inventory
 - In the Transportation section, added figures showing existing transit and the Valley Hopper service, and analysis and trends
 - In the Overcrowded Households section, added additional local data at the census tract level
- HCD A.1.b Identified Sites and AFFH
 - Added new section called AFFH Analysis of the Sites Inventory with narrative and new Table 13.3-22 Sites Inventory by HCD/TCAC Opportunity Map Area, showing the distribution of the sites inventory units by income group/affordability category. Added maps of sites inventory sites overlaid on General Plan land use map, ADU trends map, and analysis on how production and preservation strategies will help address historic segregation patterns in southern Santa Clara and prevent displacement.
- HCD A.1.c Contributing Factors to Fair Housing Issues
 - In a new section called Contributing Factors, revised Table 13.3-23 AFFH Meaningful Actions Matrix, to include re-assessment and prioritization of contributing factors to fair housing issues.
- HCD B.4.a Housing Plan/AFFH
 - See response/revisions to HCD A.1
 - Updated AFFH analysis and revised Housing Plan to include more specific goals and metrics toward mobility, outreach and education, new housing choices in south Santa Clara, and place-based strategies for increasing pedestrian/bike

safety access in MTC Equity Priority Communities and improving access to opportunity in HUD designated LIM1 census tracts using CDBG dollars.

Chapter 4 Housing Needs

- HCD A.2.a ELI Households
 - In Extremely Low Income (ELI) Households section, added analysis showing lower income households experience overpayment at a much higher rate compared to all households.
 - In Elderly (65+ years) section, added new Table 13.4-12: Senior Households by Income and Tenure and Table 13.4-13: Cost-Burdened Senior Households by Income Level and analysis showing senior ELI and VLI households are cost-burdened or severely cost-burdened at a much higher rate compared to all other senior households.
- HCD A.2.b/c Special Housing Needs
 - At the beginning of the Special Housing needs section, added conclusion based on analysis of each special housing needs population group summarizing the challenges faced by those populations and referencing the City's housing programs that will help address the gaps in resources to meet their needs.
 - In Elderly (65+) section, added new Table 13.4-12 Senior Households by Income and Tenure
 - In Farmworker section, included additional narrative and data (new Table 13.4-15 Farm Operations and Farm Labor in Santa Clara County and Table 13.4-16 Migrant Worker Student Population
- HCD A.3.i/j Emergency Shelters
 - In People Experiencing Homelessness section, added background information/data on emergency shelters and listed objective development standards for by-right permitting of emergency shelters. identifies that the current permitting process for emergency shelters, which limits the number of beds that can be permitted by right in the City based on the prior year's count of people experiencing homelessness, will be removed as part of the Zoning Ordinance Update.
- HCD A.5.a At-risk Units
 - In the At-Risk Housing Analyses section, identified examples of qualified entities and added assessment of risk of conversion. Estancia project removed from table of At-Risk projects because the affordability term, which is tied to their ground sub-lease term, runs until July 1, 2053.

Chapter 5 Constraints

- HCD A.3.f Availability of Infrastructure
 - In Water Supply section, added statement that the Addendum to the 2010 General Plan Update for the 6th Cycle Housing Element consolidates information about prior water supply assessments for the development anticipated in the City's General Plan, including Specific Plan areas, and concludes that there is sufficient existing capacity to accommodate the City's RHNA.

- HCD A.3.j Emergency Shelters
 - In Emergency Shelters section, added discussion that existing constraints to the location of emergency shelters are proposed to be removed as part of the Zoning Ordinance update, which will allow emergency shelters by right in the R-3 and R-4 Residential districts, C-C and C-R Commercial districts, and the MU-VHD Mixed Use district, and with the issuance of a Minor Use Permit in the LI Light Industrial and PQP Public/Quasi-Public districts.
- HCD A.4.a Land Use Controls
 - To address HCDs prior comment that, "the analysis should specifically address heights, lot coverages, parking, and parking in the MU and TMU zones" a paragraph was added noting that both the MU - Mixed Use and TMU - Transit-oriented Mixed Use districts have not been used to zone any parcels within the City and have not been included in the City's Zoning Ordinance Update because there are no parcels in the City with a corresponding General Plan land use designation.
- HCD A.4.c Fees and Exactions
 - In Planning and Development Fees section, added to and revised narrative clarifying that Table 13.5-5 provides all fees that may be pertinent to different types of residential projects. Added notes to Table 13.5-5. Provided additional explanation of and conclusions from Table 13.5-6 and added notes to table with details of the residential prototype projects.
- HCD A.4.d Local Processing and Permit Procedures
 - In the Planned Development section, added data (including new Table 13.5-8) showing the limited recent use of Planned Development (PD) zonings for residential development and text explaining why use of PDs has and will be further diminished with other by-right/non-discretionary approval processes.
- HCD A.4.h Housing for Persons with Disabilities (Reasonable Accommodation)
 - In the Reasonable Accommodation section, included section from both current Zoning Code and Zoning Ordinance Update listing findings for approval or denial of a reasonable accommodation request.
- HCD A.4.i Inclusionary Housing
 - In Inclusionary Housing section, added statement and excerpt from the City's Residential Density Bonus Standards chapter in the Santa Clara City Code that the provision of affordable units through the City's Inclusionary Housing Ordinance count toward the units provided for the purpose of receiving benefits under the state's density bonus law.

Chapter 6 Housing Resources

- HCD A.3.a Progress in Meeting the RHNA
 - In Pending or Proposed Projects section added narrative explaining steps City will take to ensure pending/proposed projects complete development process and result in new units
- HCD A.3.b Realistic Capacity
 - In Realistic Capacity Calculations section included:
 - Additional methodology for calculating realistic capacity
 - Buildout horizons for specific plan areas

- Description of impediments to development
- HCD A.3.a Progress in Meeting the RHNA, A.3.b Realistic Capacity, A.3.d/3 Suitability of Nonvacant Sites to Accommodate Lower Income RHNA
 - Sites to Meet the RHNA (Sites Inventory)
The changes described below are also reflected in the revised Appendix B Sites Inventory and will be included in a revised Electronic Sites Inventory to be submitted to HCD as part of the re-adoption submittal.

Sites to Meet the RHNA – As Adopted in the Housing Element (January 31, 2023)

	Units in Affordability Category				
Site/Credit Type	VLI	LI	Mod.	Above Mod	Total Capacity
RHNA	2,872	1,653	1,981	5,126	11,632
Pending & Approved Projects	389	361	857	10,339	11,946
<i>Tasman East SP</i>	-	-	531	3,919	4,459
<i>Patrick Henry Drive SP</i>	75	75	75	1,288	1,516
<i>Lawrence Station Area Plan</i>	-	5	57	635	697
<i>Freedom Circle Focus Area</i>	54	54	54	914	1,075
<i>Other</i>	261	228	141	3,569	4,199
ADU Projection	102	102	102	34	340
Available Specific Plan Sites	2,888	2,143	2,465	314	7,810
<i>Tasman East Focus Area SP</i>	214	156	458	295	1,123
<i>Patrick Henry Drive SP</i>	1,829	1,360	1,360	-	4,549
<i>Lawrence Station Area Plan</i>	845	627	647	19	2,138
				-	
Total	3,379	2,606	3,424	10,687	22,096
<i>Surplus Units</i>	507	953	1,443	5,561	10,464
<i>Surplus (% Above RHNA)</i>	18%	58%	73%	108%	73%

Sites to Meet the RHNA – As Revised / Proposed for Adoption

Site/Credit Type	Units in Affordability Category				Total Capacity
	VLI	LI	Mod.	Above Mod.	
RHNA	2,872	1,653	1,981	5,126	11,632
Pending & Approved Projects	668	746	512	10,218	12,144
<i>Tasman East SP</i>	<i>111</i>	<i>234</i>	<i>179</i>	<i>3,842</i>	<i>4,366</i>
<i>Patrick Henry Drive SP</i>	<i>76</i>	<i>75</i>	<i>75</i>	<i>1,294</i>	<i>1,520</i>
<i>Lawrence Station Area Plan</i>	<i>-</i>	<i>5</i>	<i>57</i>	<i>635</i>	<i>697</i>
<i>Freedom Circle Focus Area</i>	<i>54</i>	<i>54</i>	<i>54</i>	<i>913</i>	<i>1,075</i>
<i>Other</i>	<i>427</i>	<i>378</i>	<i>147</i>	<i>3,534</i>	<i>4,486</i>
ADU Projection	118	118	118	39	393
Available Specific Plan Sites	2,105	1,561	1,883	314	5,863
<i>Tasman East Focus Area SP</i>	<i>214</i>	<i>156</i>	<i>458</i>	<i>295</i>	<i>1,123</i>
<i>Patrick Henry Drive SP</i>	<i>1,747</i>	<i>1,299</i>	<i>1,299</i>	<i>-</i>	<i>4,345</i>
<i>Lawrence Station Area Plan</i>	<i>144</i>	<i>106</i>	<i>126</i>	<i>19</i>	<i>395</i>
El Camino Real Rezoning Sites	497	378	366	-	1,242
Total	3,388	2,803	2,879	10,571	19,642
<i>Surplus Units</i>	<i>516</i>	<i>1,150</i>	<i>898</i>	<i>5,445</i>	<i>8,010</i>
<i>Surplus (% Above RHNA)</i>	<i>18%</i>	<i>70%</i>	<i>45%</i>	<i>106%</i>	<i>69%</i>

The above table tabulates the total number of housing units in the City's Sites Inventory after making the changes summarized below.

- Pending & Approved Projects
 - Tasman East: revised to reflect affordable housing agreements approved for 2233 Calle Del Mundo (St. Anton) and 2302/2310 Calle Del Mundo (Ensemble) projects providing affordable housing at Very Low and Low Income levels; two projects revised to reduce total number of units; minor updates/corrections to unit totals and distribution.
 - Patrick Henry Drive: minor updates/corrections to unit totals and distribution.
 - Other: included three recently approved 100% affordable projects 1601 Civic Center Drive, 80 Saratoga Avenue, and 3575 De La Cruz Boulevard; minor updates/corrections to unit totals and distribution
- ADU Projection
 - Based on average number of ADUs issued building permits between 2018-2022 (previously 2018-2021)
- Available Specific Plan Sites
 - Patrick Henry Drive Specific Plan (PHD):
 - Removed "Drawbridge" parcel (4600 Patrick Henry Drive); Staff has been unable to make contact with the property owner and so did not receive a response from a qualified representative indicating any interest to redevelop with residential within the Housing Element timeframe.

Attachment 5 to June 14, 2023 Planning Commission Staff Report
Summary of Proposed Amendments to the City of Santa Clara Housing Element by Chapter/Appendix

- Confirmed (by email 4/24) Pearlman (4633, 4655, 4677, 4699 Old Ironsides Drive) interest/availability to redevelop with residential within Housing Element timeframe and so this site was maintained in the sites inventory.
- Marriott Center Owners (4701 Patrick Henry Drive) worked with the City to change bylaws/CC&Rs (approved by City Council) to facilitate redevelopment of their site to residential and so the site was maintained in the sites inventory.
- Realistic capacity for ten remaining PHD sites that have maximum densities of 149 du/ac and two sites that have a maximum density of 250 du/ac based on Specific Plan assumptions regarding buildout estimates (72% of the average of the low (10,300 units) and high (12,000 units) PHD residential development capacities.
 - 72% of 149 du/ac = 107 du/ac is a significantly lower density compared to the density for one PHD project recently approved at 122 du/ac and two other projects with pre-applications that are proposed at 123 du/ac and 147 du/ac.
- Lawrence Station Area Plan (LSAP):
 - Removed “Gemini Rosemont” (3350 – 3420 Central Expressway) parcels – owners shared their interest (via email) in potential expansion of existing industrial and so staff concluded that residential redevelopment is unlikely within the Housing Element timeframe.
 - Confirmed (by phone 4/25) Sobrato (3450 Central Expressway) interest/availability to redevelop their parcel with residential within Housing Element timeframe. Lease with existing industrial tenant (ThermoFisher) has buy-out provision. Therefore, site was retained in Sites Inventory.
 - The expected capacity for two remaining LSAP parcels with a Very High Density Residential (VHDR) General Plan designation was recalculated based on average density of four approved/under construction LSAP projects that are also designated VHDR.
 - 191% of 51 du/ac = 97.4 du/ac is consistent with the four approved/under construction LSAP VHDR projects that have densities ranging from 73 to 134 du/ac (average density of 97.5 du/ac).
- Tasman East Specific Plan (TESP):
 - Expected capacity for the remaining parcels with Transit Neighborhood (TN) General Plan designation (13 parcels < 1 ac and 1 parcel > 1 ac) was recalculated based on six approved/under construction TESP projects, including two 100% affordable projects, also designated TN with actual densities ranging from 131 to 237 du/ac.
 - 215% of 60 du/ac = 129 du/ac; 215% of 100 du/ac = 215 du/ac is within the density range of the six approved/under construction TESP projects (131 to 237 du/ac).
- El Camino Real Rezoning Sites:
 - Added parcels/sites (greater than 0.5 acres and less than 10 acres) with Regional Mixed Use 37-50 du/ac (RMU) General Plan designation that will be rezoned as part of the Zoning Ordinance Update from a commercial district to a new Regional Mixed Use (RMU) zoning district.
 - Realistic capacity for RMU parcels/sites based on minimum density (37 du/ac).
 - Recent approvals, including 100% affordable projects, and ongoing developer interest, demonstrate that existing older commercial on El Camino Real sites are not an impediment to additional residential development.
 - One approved/under construction 100% affordable project (Clara Gardens) on a 1.12-acre RMU designated parcel includes 120 VLI units (107 du/ac).

Attachment 5 to June 14, 2023 Planning Commission Staff Report
Summary of Proposed Amendments to the City of Santa Clara Housing Element by Chapter/Appendix
Chapter 7 Program Accomplishments (No Changes)

Appendix A Outreach

- HCD E.1.a/b Public Participation
 - Added copy of Housing Action Coalition letters to City and HCD

Appendix B Parcel Inventory

- HCD A.3.c Parcel Inventory
 - Added information to the sites inventory table indicating relevant factors such as age, developer interest, improvement to land value ratio
- HCD A.3.d Suitability of Nonvacant Sites
 - In response to comments received regarding site suitability of certain parcels, removed several sites from the inventory (See Chapter 6 Housing Resources Realistic Capacity and Suitability of Non-Vacant Sites section). To address the reduction in the realistic capacity of sites to accommodate sufficient VLI units to meet the RHNA with an adequate buffer, rezoning sites were added along the El Camino Real corridor.

City of Santa Clara 2023-2031 6th Cycle Housing Element Update

Addendum to the City of Santa Clara General Plan Environmental Impact Report

Lead Agency:

City of Santa Clara
Planning Division
1500 Warburton Avenue
Santa Clara, California 95050



Prepared by:

MIG, Inc.
1650 Spruce Street, Suite 106
Riverside, California 92507



December 21, 2022

- This document is designed for double-sided printing -

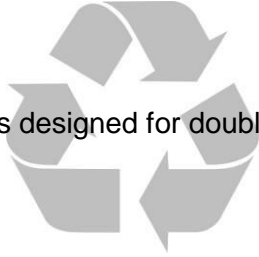


Table of Contents

1 Introduction.....	1
1.1 – Purpose and Authority	1
1.2 – Addendum Analysis and CEQA Guidelines	2
1.3 – Tiering	3
1.4 – Organization and Scope	5
1.5 – Conclusions.....	5
2 Project Description.....	7
2.1 – Project Title	7
2.2 – Lead Agency Name and Address	7
2.3 – Contact Person and Phone Number	7
2.4 – Project Location.....	7
2.5 – Environmental Setting	7
2.6 – General Plan Land Use Designations	7
2.7 – Zoning Districts.....	8
2.8 – Project Description	8
2.9 – Required Approvals	23
2.10 – Other Public Agency Whose Approval is Required	24
3 Determination	29
3.1 – Environmental Categories Potentially Affected	29
3.2 – Determination	29
4 Evaluation of Environmental Impacts	31
4.1 – Aesthetics.....	33
4.2 – Agriculture and Forest Resources	37
4.3 – Air Quality.....	40
4.4 – Biological Resources	45
4.5 – Cultural Resources	52
4.6 – Energy.....	56
4.7 – Geology and Soils	59
4.8 – Greenhouse Gas Emissions	65
4.9 – Hazards and Hazardous Materials.....	68
4.10 – Hydrology and Water Quality	74
4.11 – Land Use and Planning	80
4.12 – Mineral Resources	82
4.13 – Noise.....	84
4.14 – Population and Housing	89
4.15 – Public Services.....	92
4.16 – Recreation.....	97
4.17 – Transportation	99
4.18 – Tribal Cultural Resources	104
4.19 – Utilities and Service Systems	107
4.20 – Wildfire	111
4.21 – Mandatory Findings of Significance	114
5 Applicable General Plan EIR Mitigation Measures	117
6 References	121
6.1 – List of Preparers	121
6.2 – Persons and Organizations Consulted	121
6.3 – Bibliography	122

List of Tables

Table 1 City of Santa Clara RHNA 2023-2031	9
Table 2 Approved and Proposed Projects.....	10
Table 3 Sites to Meet the RHNA.....	14
Table 4 General Plan Focus Areas	15

List of Exhibits

Exhibit 1 Regional Context Map.....	25
Exhibit 2 Existing General Plan Land Use Map.....	27

Appendices

Appendix A	2010-2035 General Plan EIR
Appendix B	2023-2031 Housing Element Update
Appendix C	Subsequent Specific Plan EIR Mitigation Measures

1 Introduction

This document has been prepared to serve as an addendum to the previously certified Santa Clara 2010-2035 General Plan Integrated Final Environmental Impact Report (EIR) (SCH # 2008092005), which was certified in January 2011, and subsequent environmental documents prepared for General Plan amendments made for the various focus areas, Specific Plan areas, and Climate Action Plans. The City's Housing Element was last updated in 2014 in compliance with State Housing Element Law. The adoption of the proposed Housing Element update is consistent with the state law requirement that each city and county update the housing element of its general plan every eight years in order to establish and update housing and land use strategies reflective of changing needs, resources, and conditions. The City of Santa Clara (City) is the lead agency for the environmental review of the proposed City of Santa Clara General Plan Housing Element Update (project) for the 2023-2031 planning period.

1.1 – Purpose and Authority

Pursuant to CEQA, the proposed Housing Element Update constitutes a “*project*” that is subject to analysis and determination of environmental effects under CEQA (Public Resources Code Section 21000, *et seq.*) and the CEQA Guidelines (14 California Code of Regulations Section 15000, *et. seq.*). This Addendum, its appendices, and related supporting environmental documents have been prepared to determine whether and to what extent the General Plan EIR and associated amendments prepared for the General Plan EIR are sufficient to address the potential impacts of the proposed Housing Element, or whether additional documentation is required under CEQA. The proposed project requires discretionary approval by the City of Santa Clara and review by the California Department of Housing and Community Development (HCD). As the project initiator, and because of the legislative approvals involved, the City of Santa Clara is the Lead Agency with respect to this Addendum pursuant to §15367 of the CEQA Guidelines. Specifically, the Project requires the City of Santa Clara’s approval of a General Plan Amendment. No other governmental agencies have discretionary permitting authority with respect to approval of the proposed Project, and no Trustee Agencies, as defined in §21070 of the CEQA Statutes, has jurisdiction over resources such that Trustee agency approval is required for entitlement approval.

Under CEQA, the City must determine whether the proposed changes would require a new or supplemental EIR, or whether an addendum would suffice. Section 2, *Project Description*, provides detailed description of the proposed changes. In determining whether an addendum is the appropriate document to analyze the modifications to the project and its approval, State CEQA *Guidelines* Section 15164 (addendum to an EIR or Negative Declaration) states:

- a) The lead agency or a responsible agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred.
- b) An addendum to an adopted negative declaration may be prepared if only minor technical changes or additions are necessary or none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR or negative declaration have occurred.
- c) An addendum need not be circulated for public review but can be included in or attached to the final EIR or adopted negative declaration.
- d) The decision-making body shall consider the addendum with the final EIR or adopted negative declaration prior to making a decision on the project.

- e) A brief explanation of the decision not to prepare a subsequent EIR pursuant to Section 15162 should be included in an addendum to an EIR, the lead agency's required findings on the project, or elsewhere in the record. The explanation must be supported by substantial evidence.

1.2 – Addendum Analysis and CEQA Guidelines

This Addendum has been prepared pursuant to Public Resources Code Section 21166 and CEQA Guidelines Section 15162, 15164, and 15168(c). This Addendum evaluates the project's potential environmental effects in light of those effects previously disclosed in the 2010 General Plan EIR and CEQA documents related to subsequent General Plan amendments to determine whether any of the conditions described in Guidelines Section 15162 calling for subsequent CEQA review have occurred. The General Plan EIR is available for review at the City's Planning Division, 1500 Warburton Avenue, Santa Clara, California 95050. CEQA Guidelines Section 15164(a) provides that the lead agency "*shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred.*" Sub-Section (c) further provides that an "addendum need not be circulated for public review but can be included in or attached to the final EIR," and Sub-Section (e) states that a "brief explanation of the decision not to prepare a subsequent EIR pursuant to Section 15162 should be included" in the addendum, the agency's findings, or elsewhere in the administrative record.

CEQA Guidelines Section 15168(c)(2) provides that "if the agency finds that pursuant to Section 15162, no subsequent EIR will be required, the agency can approve the activity as being within the scope of the project covered by the EIR" and that "[w]hether a later activity is within the scope of an EIR is a factual question that the lead agency determines based on substantial evidence in the record." Sub-Section (c)(4) further provides that "[w]here the later activities involve site-specific operations, the agency *should use a written checklist or similar device* to document the evaluation of the site and the activity to determine whether the environmental effects of the operation were within the scope of the EIR." According to CEQA Guidelines Section 15162, once an EIR has been certified, no subsequent or supplemental EIR shall be prepared for a project unless the lead agency determines that one or more of the following occurs:

1. Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
2. Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
3. New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the negative declaration was adopted, shows any of the following:
 - a. The project will have one or more significant effects not discussed in the previous EIR or negative declaration;
 - b. Significant effects previously examined will be substantially more severe than shown in the previous EIR;

- c. Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
- d. Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

An addendum may be prepared if some changes or additions are necessary to a certified EIR and none of the above-stated conditions apply (CEQA *Guidelines* Section 15164). Per the above, this Addendum functions as both an “addendum” and a “written checklist,” as called for in CEQA *Guidelines* Section 15164(a) and 15168(c)(4). As such, this Addendum analyzes the proposed project’s potential environmental effects in light of those effects disclosed in General Plan EIR consistent with *Guidelines* Section 15162. Based on a review of the proposed project (as described in Section 2, *Project Description*) and surrounding circumstances (i.e., the Environmental Setting), this addendum concludes that there is no substantial change proposed that would require major revisions to the previous EIR; that there is no substantial change in circumstances as a result of project modifications that would cause new or substantially more severe significant impacts (see Section 3, *Environmental Impacts and Mitigation Measures*); and, that there is no new information of substantial importance that identifies new or more intense significant impacts (CEQA *Guidelines* Section 15162).

1.3 – Tiering

Section 15152 et al of the CEQA *Guidelines* describes “tiering” as a streamlining tool as follows:

- (a) *"Tiering" refers to using the analysis of general matters contained in a broader EIR (such as one prepared for a general plan or policy statement) with later EIRs and negative declarations on narrower projects; incorporating by reference the general discussions from the broader EIR; and concentrating the later EIR or negative declaration solely on the issues specific to the later project.*
- (b) *Agencies are encouraged to tier the environmental analyses which they prepare for separate but related projects including general plans, zoning changes, and development projects. This approach can eliminate repetitive discussions of the same issues and focus the later EIR or negative declaration on the actual issues ripe for decision at each level of environmental review. Tiering is appropriate when the sequence of analysis is from an EIR prepared for a general plan, policy, or program to an EIR or negative declaration for another plan, policy, or program of lesser scope, or to a site-specific EIR or negative declaration. Tiering does not excuse the lead agency from adequately analyzing reasonably foreseeable significant environmental effects of the project and does not justify deferring such analysis to a later tier EIR or negative declaration. However, the level of detail contained in a first tier EIR need not be greater than that of the program, plan, policy, or ordinance being analyzed.*
- (c) *Where a lead agency is using the tiering process in connection with an EIR for a large-scale planning approval, such as a general plan or component thereof (e.g., an area plan or community plan), the development of detailed, site-specific information may not be feasible but can be deferred, in many instances, until such time as the lead agency prepares a future environmental document in connection with a project of a more limited geographical scale, as long as deferral does not prevent adequate identification of significant effects of the planning approval at hand.*

- (d) *Where an EIR has been prepared and certified for a program, plan, policy, or ordinance consistent with the requirements of this section, any lead agency for a later project pursuant to or consistent with the program, plan, policy, or ordinance should limit the EIR or negative declaration on the later project to affects which:*
 - (1) *Were not examined as significant effects on the environment in the prior EIR; or*
 - (2) *Are susceptible to substantial reduction or avoidance by the choice of specific revisions in the project, by the imposition of conditions, or other means.*
- (e) *Tiering under this section shall be limited to situations where the project is consistent with the general plan and zoning of the city or county in which the project is located, except that a project requiring a rezone to achieve or maintain conformity with a general plan may be subject to tiering.*
- (f) *A later EIR shall be required when the initial study or other analysis finds that the later project may cause significant effects on the environment that were not adequately addressed in the prior EIR. A negative declaration shall be required when the provisions of Section 15070 are met.*
 - (1) *Where a lead agency determines that a cumulative effect has been adequately addressed in the prior EIR that effect is not treated as significant for purposes of the later EIR or negative declaration and need not be discussed in detail.*
 - (2) *When assessing whether there is a new significant cumulative effect, the lead agency shall consider whether the incremental effects of the project would be considerable when viewed in the context of past, present, and probable future projects. At this point, the question is not whether there is a significant cumulative impact, but whether the effects of the project are cumulatively considerable. For a discussion on how to assess whether project impacts are cumulatively considerable, see Section 15064(i).*
 - (3) *Significant environmental effects have been "adequately addressed" if the lead agency determines that:*
 - (A) *they have been mitigated or avoided as a result of the prior environmental impact report and findings adopted in connection with that prior environmental report; or*
 - (B) *they have been examined at a sufficient level of detail in the prior environmental impact report to enable those effects to be mitigated or avoided by site specific revisions, the imposition of conditions, or by other means in connection with the approval of the later project.*
- (g) *When tiering is used, the later EIRs or negative declarations shall refer to the prior EIR and state where a copy of the prior EIR may be examined. The later EIR or negative declaration should state that the lead agency is using the tiering concept and that it is being tiered with the earlier EIR.*
- (h) *There are various types of EIRs that may be used in a tiering situation. These include, but are not limited to, the following:*
 - (1) *General Plan EIR (Section 15166)*
 - (2) *Staged EIR (Section 15167)*
 - (3) *Program EIR (Section 15168)*
 - (4) *Master EIR (Section 15175)*

- (5) *Multiple-family residential development/residential and commercial or retail mixed-use development (Section 15179.5)*
- (6) *Redevelopment project (Section 15180)*
- (7) *Projects consistent with community plan, general plan, or zoning (Section 15183)*

This Addendum for the 2023-2031 Housing Element Update has been prepared to tier from the General Plan “Program” EIR of the City of Santa Clara dated January 2011 (See Appendix A), and subsequent environmental documents prepared for subsequent General Plan amendments. For the City of Santa Clara, documents by which the analysis recorded herein has been tiered from are available for public review at:

City of Santa Clara
Planning Division
1500 Warburton Avenue
Santa Clara, CA 95050

1.4 – Organization and Scope

Although this document is not an initial study, in the interest of thorough disclosure this document has been organized to comply with Section 15063 of the State CEQA Guidelines, which sets forth the required contents of an Initial Study. These include:

- A description of the project, including the location of the project (see Section 2)
- Identification of the environmental setting (see Section 2.8)
- Identification of environmental effects by use of a checklist, matrix, or other methods, provided that entries on the checklist or other form are briefly explained to indicate that there is some evidence to support the entries (see Section 3)
- Examination of whether the project is compatible with existing zoning, plans, and other applicable land use controls (see Sections 2.6 and 2.7)
- The name(s) of the person(s) who prepared or participated in the preparation of the Initial Study (see Section 5.1)

1.5 – Conclusions

The City of Santa Clara may approve the proposed project based on this Addendum. The impacts of the proposed project remain within the impacts previously analyzed in the General Plan EIR and associated amendments (CEQA Guidelines Section 15164). The proposed project does not require any major revisions to the General Plan EIR. No new significant information or changes in circumstances surrounding the proposed project have occurred since the approval of the General Plan EIR and EIR’s related to subsequent specific plans and area plans that amended the General Plan. Therefore, the previous CEQA analyses completed for the General Plan EIR and associated amendments remain adequate. The applicable mitigation measures and/or conditions of approval from the General Plan EIR and associated amendments would be imposed on the proposed project as described herein. The proposed project does not require preparation of a new subsequent or supplemental EIR, due to either the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects. As illustrated herein, the proposed project is consistent with the findings of the General Plan EIR and associated amendments and would involve only minor changes; therefore, an Addendum is appropriate CEQA compliance for the proposed project.

This Page Intentionally Left Blank.

2 Project Description

2.1 – Project Title

City of Santa Clara 2023-2031 6th Cycle Housing Element Update

2.2 – Lead Agency Name and Address

City of Santa Clara
Planning Division
1500 Warburton Avenue
Santa Clara, California 95050

2.3 – Contact Person and Phone Number

John Davidson, Principal Planner
(408) 615-2478

2.4 – Project Location

The City of Santa Clara is located in north-central Santa Clara County (See Exhibit 1, Regional Context Map). Santa Clara is at the southern end of the San Francisco Bay, approximately 40 miles south of the City of San Francisco. The Planning Area encompasses all incorporated areas located within the boundaries of the City of Santa Clara.

2.5 – Environmental Setting

The City of Santa Clara is essentially built out and the existing land use pattern is predominantly characterized by single family neighborhoods, retail commercial corridors, and industrial/office employment centers (See Exhibit 2, Existing General Plan Land Use Map). These uses are largely separated by major transportation facilities located in the City. U.S. Highway 101 traverses east-west through the center of the City, while State Route 237 is located to the north and Interstates 880 and 280 skirt the southeast and southwest corners of the City, respectively. Existing transit lines include Caltrain, Altamont Commuter Express (ACE), Capitol Corridor, and Valley Transportation Authority (VTA) bus and light rail. The City of Santa Clara covers approximately 18.4 square miles of land, and is completely surrounded by neighboring cities: San José to the north, east and south, and Sunnyvale and Cupertino to the west. The City is located at the center of the Santa Clara Valley, between the Santa Cruz Mountains to the southwest and the Diablo Range to the northeast. Three seasonal creeks run through the City and empty into the southern portion of the San Francisco Bay: the San Tomas Aquino, Saratoga and Calabazas Creeks. Additionally, the City is bordered by the Guadalupe River to the northeast.

2.6 – General Plan Land Use Designations

Existing General Plan residential and mixed-use land use designations that support housing development within the City of Santa Clara include: Very Low Density Residential, Low Density Residential, Medium Density Residential, High Density Residential, Very High Density Residential, Neighborhood Mixed Use, Community Mixed Use, Regional Mixed Use, Downtown Core, Santa Clara Station Area, Urban Center/Entertainment, Transit Neighborhood, Village Residential, Urban Village, Urban Center, and High Density Flex.

2.7 – Zoning Districts

Existing zoning districts that support housing development within the City of Santa Clara include: R1-8L – Single-Family Larger Lot Area, R1-6L – Single-Family, R2-7L – Duplex, R3-18D – Low-Density Multiple-Dwelling, R3-25D – Moderate-Density Multiple-Dwelling, R3-36D – Medium-Density multiple-Dwelling, R3-M – Mobile Home Park, MU – Mixed Use, TMU – Transit-Oriented Mixed Use, VHDMU – Very High Density Mixed Use, TN – Transit Neighborhood, LSAP – Lawrence Station Area Plan, PH-R5-100 – Patrick Henry Very-High-Density Residential Zone, UV-149D – Urban Village, VR-149D – Village Residential, UC-250D – Urban Center, and HD Flex – High Density Flex.

2.8 – Project Description

The proposed Project would amend the 2010-2035 City of Santa Clara General Plan. The City Council adopted the General Plan on November 16, 2010, and concurrently certified an Environmental Impact Report. Since that time, the Council has adopted a series of General Plan amendments, for which each one was accompanied by either an addendum to the General Plan EIR, a negative declaration, or a subsequent EIR. The most significant of these amendments are listed below:

- December 3, 2013: Adoption of 2013 Climate Action Plan and Negative Declaration
- December 4, 2014: Adoption of 2015 – 2023 Housing Element and revisions to land use policies and EIR Addendum
- June 28, 2016: Related Santa Clara Project and EIR
- February 23, 2016: Mission Town Center EIR
- November 29, 2016: Lawrence Station Area Plan and EIR
- July 17, 2018: 575 Benton Project and Addendum to Mission Town Center EIR
- July 9, 2019: Gateway Crossings Project and EIR
- March 22, 2022: Patrick Henry Drive Specific Plan and EIR
- June 7, 2022: Adoption of 2022 Climate Action Plan and EIR Addendum
- June 7, 2022: Freedom Circle Future Focus Area Plan, 3905 Freedom Circle Mixed-Use Project, and EIR

References in this document to the “Subsequent EIRs” include all of the environmental documents listed above.

The specific amendments contemplated include the adoption of the 2023–2031 Housing Element of the Santa Clara General Plan, implementation of identified programs and policies set forth in the draft Housing Element, and General Plan text amendments that would allow for zoning code standards to align with current uses (See Appendix B). The State of California has mandated that all local jurisdictions within the Bay Area have approved updated Housing Elements to reflect current “fair share” housing allocations for each City and County. The State Housing and Community Development Department (HCD) reviews all Housing Elements to determine compliance with State Law governing the content of these Elements.

Housing Element Requirements

The Housing Element is one of seven required elements of the General Plan. It addresses existing and future housing needs of persons in all economic segment groups and serves as a tool for decision-makers and the public in understanding and meeting housing needs in Santa Clara. While the law does not require local governments to actually construct housing to meet identified needs, it does require that the community address housing needs in its discretionary planning actions by creating opportunities for

housing in the land use plan and facilitating housing development through policy. Housing Elements are legal documents, included within a community's General Plan, that identify housing related conditions, provide an assessment of housing needs for the next eight-year period of time, identify housing resources, identify housing opportunities and constraints, and establish policies, programs, and quantified housing objectives to achieve City housing needs.

Statutory Requirements

State law requires that all housing elements address four key topics: 1) housing needs, 2) constraints to housing development, 3) housing resources, and 4) a housing plan. Analysis of these topics provides the foundation for the preparation of a housing element. Article 10.6, Section 65580 – 65589.11, Chapter 3 of Division 1 of Title 7 of the Government Code sets forth the legal requirements for a housing element and encourages the provision of affordable and decent housing in suitable living environments for all communities to meet statewide goals. The 2023-2031 Housing Element update is a policy document of the City of Santa Clara regarding current and projected future housing needs, and the City's goals, policies, and programs to address those identified needs, and represents a focused update to the City's adopted 2015-2023 Housing Element, which was found to be fully in compliance with State law by the California Department of Housing and Community Development (HCD).

Housing Needs Assessment

Several factors influence the demand for housing in Santa Clara. The four major needs categories considered in the Housing Element include: 1) current population and population growth, including age, race, ethnicity, and employment; 2) household characteristics, including household type, income levels, and the presence of special needs populations; 3) housing stock characteristics, including overcrowding, housing condition, and housing cost; and 4) housing needs of "special needs groups" such as persons with disabilities, the elderly, large households, farmworkers, female-headed households, and people experiencing homelessness.

The City of Santa Clara 2023-2031 Housing Element profiles key community demographics and examines the related housing needs of various groups, including owners versus renters, lower-income households, overcrowded households, elderly households, special needs groups, and homeless persons. This information is detailed in the Housing Element Update (See Appendix B). California Housing Element law requires a quantification of each jurisdiction's share of the regional housing need as established in the RHNA-Plan prepared by the jurisdiction's council of governments. The California Department of Housing and Community Development (HCD), in conjunction with the Association of Bay Area Governments (ABAG), determine a projected housing need for the region covered by ABAG. This share, known as the Regional Housing Needs Allocation (RHNA), is 441,776 new housing units for the 2023-2031 planning period throughout the ABAG region. ABAG has, in turn, allocated this share among its constituent jurisdictions, distributing to each its own RHNA divided along income levels. The City of Santa Clara has a RHNA of 11,632 housing units to accommodate in the housing element period, with the units distributed among the four income categories shown in Table 1 (City of Santa Clara RHNA (2023-2031)).

Table 1
City of Santa Clara RHNA 2023-2031

Income Group	Income Category (%AMI)	RHNA (Housing Units)	Percentage of Total Housing Units
Very Low	<50%	2,872	25%
Low	50-80%	1,653	14%

Moderate	80-120%	1,981	17%
Above Moderate	>120%	5,126	44%
Total		11,632	100%
Source(s): Final Regional Housing Needs Allocation (RHNA) Plan: San Francisco Bay Area, 2023-2031, Updated March 2022.			
Note(s):			
1 AMI = Area Median Income			
2 Pursuant to AB 2634, local jurisdictions are required to project the housing needs of extremely low-income households (0-30% AMI) and considers this income group a subset of the very-low income category. In estimating the number of extremely low-income households, a jurisdiction can use 50% of the very low-income allocation or apportion the very low-income figure based on Census data.			

Progress Towards the RHNA

Since the RHNA uses June 30, 2022, as the baseline for growth projections for the Housing Element planning period of 2023 to 2031, jurisdictions may count units approved, proposed, or under construction that are anticipated to be complete (have a Certificate of Occupancy) after June 30, 2022. Proposed and approved residential development projects credited toward the RHNA include a variety of affordable and market rate projects in various stages of the development process. Many of these projects are concentrated within Specific Plan areas and along major thoroughfares. Approved and proposed projects are credited toward the RHNA based on the affordability and unit count of the development. A total of 12,712 units from the following approved and proposed project list are expected to be completed within the planning period. Combined, these pipeline projects can accommodate 12,712 total units as shown in Table 2 (Approved and Proposed Projects). Although there is a surplus of above moderate units, the City has a remaining RHNA of 1,033 moderate-income units and 3,698 lower-income units to be addressed through ADU projections and site identification.

Table 2
Approved and Proposed Projects

Site/Credit Type	Total Units	Project Status
<i>Tasman East Focus Area Specific Plan</i>		
TE 2233 Calle Del Mundo (St. Anton)	196	Under Construction
TE 2300 Calle De Luna (Related)	700	Under Construction
TE 5123 Calle Del Sol (Ensemble) - Phase I & II	503	Approved/Under Construction
TE 2200 Calle De Luna (Holland)	580	Approved
TE 2225 Calle de Luna & 2232 Calle del Mundo	371	Approved
TE 2263 Calle Del Mundo (Ensemble)	301	Approved
TE 2302/2310 Calle Del Mundo (Ensemble)	151	Approved
TE 2343 Calle Del Mundo (Summerhill)	347	Approved
TE 2354 Calle Del Mundo (Ensemble)	89	Approved
TE 2101 Tasman Drive (Related)	950	Proposed
TE 5185 Lafayette (Ensemble)	271	Proposed
<i>Patrick Henry Drive Focus Area Specific Plan</i>		
PHD Summerhill	300	Proposed
PHD Sares Regis	800	Pre-application 1
PHD Walnut Hill	416	Pre-application 2
<i>Lawrence Station Area Plan</i>		
LSAP 3580 Rambla PI (Summerhill)	286	Under Construction
LSAP 2961 Corvin Drive (Toll Brothers)	38	Under Construction
LSAP 3305 Kifer Road (Toll Brothers)	45	Under Construction
LSAP 3517 Ryder St (Westlake Urban)	328	Approved
<i>Freedom Circle Focus Area</i>		

3905 Freedom Circle Mixed-Use Project (Greystar)	1,075	Approved
Other		
Villa Bella Residential Project	56	Under Construction
3035 El Camino Real Residential Project	48	Under Construction
3945 Stevens Creek Blvd - The Meridian	59	Under Construction
2330 Monroe Street Affordable Housing Project (Freebird)	65	Under Construction
Agrihood Mixed-Use Development Project	361	Under Construction
Laguna Clara II (Equity)	183	Under Construction
Gateway Crossings (Hunter/Storm) - Phase 1	725	Under Construction
Clara Gardens - 3550 El Camino Real	120	Approved/Under Construction
1530-1540 Pomeroy Avenue Residential Project	8	Approved
Related Santa Clara - Phase 1	1,680	Approved
Gateway Crossings (Hunter/Storm) - Phase 2	840	Proposed
950 Monroe Street Mixed-Use Project	54	Proposed
TOTAL PENDING AND APPROVED PROJECTS	11,946	
Source(s): City of Santa Clara, June 2022. Note(s): All calculations were rounded down. There are likely discrepancies due to rounding down between the row and column totals. 1 Application expected Dec 2022 2 Application expected early 2023		

Approved Projects

Approved projects have been reviewed for compliance with applicable Codes and regulations and have received planning entitlement approval. Projects will proceed through the building permit application review, issuance, and construction process within the planning period.

Projects Under Construction

These projects are under construction, with anticipated completion and occupancy permits to be finalized after June 30, 2022.

Pending/Under Review Projects

Approved projects have been reviewed for compliance with applicable Codes and regulations and have received planning entitlement approval. Projects will proceed through the building permit application review, issuance, and construction process within the planning period.

Default Density Assumptions

The California Government Code states that if a local government has adopted density standards consistent with the population-based criteria set by State law (at least 30 units per acre for Santa Clara), HCD is obligated to accept sites with those density standards (30 units per acre or higher) as appropriate for accommodating the jurisdiction's share of regional housing need for lower-income households. Default density is considered by the State sufficient to provide market-based incentives for the development of housing for lower-income households.

The Santa Clara General Plan (adopted in 2010) identifies ten Focus Areas appropriate for higher density residential and mixed-use development. A detailed discussion of density assumptions and the affordability level of sites is included below.

Site Suitability and Lot Consolidation

Consistent with Housing Element law related to the suitability of small and large sites, the inventory of lower-income sites is limited to parcels between 0.5 and 10 acres in size. Due to the City's historical parcelization pattern, the inclusion of small sites in the inventory is expected. To adhere to State law and HCD guidance, small sites (under 0.5 acres) are not used to meet the lower-income RHNA. There

are 10 available sites included in the inventory with a parcel size under 0.5 acres. All of these are located in the Tasman East Specific Plan area and range between 0.458 and 0.482 acres. Parcels of similar size have been developed with residential within the last housing element cycle in the Tasman East Specific Plan area. While these sites have densities that are appropriate for lower-income RHNA sites and meet the default density standard, they are all credited toward the moderate- and above moderate-income categories. No sites in the inventory are larger than 10 acres. Although many of the parcels identified as sites are adjacent to one another, no lot consolidation is assumed.

Realistic Capacity and Suitability of Non-Vacant Sites

Housing Element law requires jurisdictions to demonstrate that the land inventory is adequate to accommodate that jurisdiction's share of the region's projected growth. Santa Clara has a remaining RHNA of 4,985 units to be achieved through the identification of sites. The City has various residential and mixed-use development opportunities on sites that are currently available, although all sites are non-vacant. All available sites are within Specific Plan areas. Each project demonstrates that the project's actual density was developed higher than the minimum density allowed. Because each Specific Plan has its own distinct land use designations and affordability requirements, realistic capacity for available sites was calculated based on the average of percent above minimum density allowed per Specific Plan of existing and approved projects. Percent above the minimum density allowed was used to remain conservative, realistic, and to account for the wide range of Specific Plan densities allowed (from 20 du/ac in Lawrence Station to 350 du/ac maximum in Tasman East). In every case, claiming realistic capacity using the methodology and assumptions defined here yields total unit counts below the maximum density allowed.

Development Trends and Realistic Capacity

Current development trends in the Specific Plan areas show that a range of medium to high residential density is feasible, realistic, and appropriate to accommodate housing for all income levels. Since the City's adoption of the Lawrence Station Area Plan and Tasman East Specific Plan, Santa Clara has seen an uptick in development and development interest.

Densities Appropriate for Accommodating Lower-Income Housing

The capacity of sites that allow development densities of at least 30 units per acre are credited toward the lower-income RHNA based on State law. The California Government Code states that if a local government has adopted density standards consistent with the population-based criteria set by State law (at least 30 units per acre for Santa Clara), HCD is obligated to accept sites with those density standards (30 units per acre or higher) as appropriate for accommodating the jurisdiction's share of regional housing need for lower-income households. All available sites included in this inventory, except for three sites zoned Medium Density Residential (20-36 du/ac), have density standards of 30 units per acre or higher. Located within the Lawrence Station Area Plan, the three sites zoned Medium Density Residential (20 – 36 du/ac) are credited toward the moderate- and above-moderate income categories. To create a more conservative and realistic estimate of affordability for Santa Clara, available sites that qualify for one hundred percent affordable units based on the allowed density are split evenly between the very low-, low-, and moderate-income categories 33.33 percent, 33.33 percent, and 33.33 percent, respectively.

Re-use of Sites

AB 1397 (2017) requires that specific parameters be placed on sites that were used in previous Housing Element planning cycles but did not develop and are identified in the current Housing Element to meet

the lower-income RHNA. However, as noted in HCD guidance documents, due to updates in the prior planning period to the General Plan or other planning activities, such as the creation of a specific plan, some sites previously identified in the Housing Element may have been rezoned during intervening years to allow a higher density, thereby increasing the potential housing capacity of the site. Because the zoning characteristics of such a site have changed, that site can be considered a new site for the purposes of the housing element inventory.

All sites in this Housing Element are Specific Plan and focus area parcels, including some previously identified in the fifth cycle. Parcels identified in the fifth cycle subsequently rezoned to a higher density through their respective Specific Plan processes were not rezoned to accommodate a shortfall; rather, the rezoning was conducted to implement General Plan policy. Thus, no sites are subject to the reuse provisions of AB 1397 (2017).

No Net Loss Provision

Government Code Section 65863 stipulates that a jurisdiction must ensure that its Housing Element inventory can accommodate its share of the RHNA by income level throughout the planning period (2023-2031). If a jurisdiction approves a housing project at a lower density or with fewer units by income category than identified in the Housing Element, it must quantify at the time of approval the remaining unmet housing need at each income level and determine whether there is sufficient capacity to meet that need. If not, the city must “identify and make available” additional adequate sites to accommodate the jurisdiction’s share of housing need by income level within 180 days of approving the reduced-density project. This provision is commonly referred to as the “no net loss” provision of Housing Element law.

ADU Projections

Since 2017, the State legislature has passed a series of laws that significantly increase the potential for development of accessory dwelling units (ADUs) and Junior ADUs (JADUs) by removing development barriers, allowing ADUs through ministerial permits, and requiring jurisdictions to include programs in their housing element that incentivize ADU development. Interest in constructing ADUs is high in Santa Clara and continues to grow. In 2018, the City issued 21 ADU building permits. In 2019, the number increased to 51 annual building permits, with similar numbers in 2020 (45 ADU building permits) and 2021 (53 ADU building permits). This represents a 152 percent increase in ADU production in Santa Clara between 2018 and 2021. The City estimates that interest will continue to increase over the next few years, given the many single-family neighborhoods citywide that create capacity for additional ADUs. As of June 2022, 53 percent (or 16,103 parcels) of total parcels were zoned for single-family housing, totaling 2,504 acres. ADUs are permitted on single-family, multi-family, and mixed-use lots, including R1, R2, and R3 zoning districts, which represent a significant number of lots in Santa Clara. As an incentive to ADU production, the City does not charge a Planning fee for review/processing ADU requests. Also, State law allows jurisdictions to charge impact fees on ADUs over 750 square feet, but the City of Santa Clara does not. The City has also exempted ADUs/JADUs from providing parking. The slight dip in ADU production in 2020 may be due to the COVID-19 pandemic and other events of 2020. In 2021, the City had the highest number of ADU building permits to date, which is likely more representative of ADU production moving forward based on ADU trends in Santa Clara, new and pending favorable ADU legislation that created new incentives and streamlined processes to build ADUs, and the pent-up demand for additional housing in the Bay Area. While it is impossible to predict with certainty the exact number of ADUs that will be developed during the planning period (2023-2031), the City conservatively estimates:

- An average of 43 ADUs per year will be constructed throughout the planning period. This reflects the average number of building permits issued for ADUs between 2018 and 2021. Given the anticipated increase in ADUs over the near term, this is a conservative estimate.
- A total of 344 ADUs can be predicted to be constructed during the planning period.

The affordability assumptions for ADU projections are based on ABAG's ADU affordability analysis endorsed by HCD.¹

Site Selection

The Housing Element sites inventory, in addition to the list of pending and approved projects, includes accessory dwelling unit (ADU) projections and vacant and underutilized sites within Specific Plan areas zoned for high-density residential and mixed-use development. These latter two categories have been used to demonstrate that the RHNA for the extremely low-, very low-, low- and moderate-income categories can be accommodated during the planning period. As the discussion below concludes, the sites have no identified constraints that would prevent development or reuse during the Housing Element period. Table 3 (Sites to Meet the RHNA), below, summarizes the sites inventory.

Table 3
Sites to Meet the RHNA

Site	Affordability Category				Total Capacity
	Very Low	Low	Moderate	Above Moderate	
Pending and Approved Projects	390	320	811	9,566	11,946
ADU Projection	102	102	102	34	340
Available Specific Plan Sites	3,049	3,049	3,354	305	9,808
Total	3,541	3,471	4,267	9,905	22,094
RHNA	2,872	1,653	1,981	5,126	11,632
Difference	+669	+1,818	+2,286	+4,779	+10,462
Source(s): Final Regional Housing Needs Allocation (RHNA) Plan: San Francisco Bay Area, 2023-2031, Updated March 2022. Technical Assistance for Local Planning, Housing – Using ADUs to Satisfy RHNA, Technical Memo, March 2022. Patrick Henry Drive Specific Plan, March 2022. Lawrence Station Area Plan, Neighborhood Transit- Oriented Development Plan, Nov. 2016. Tasman East Focus Area Specific Plan, Nov. 2020.					
Note(s): AMI = Area Median Income					

Available Specific Plan Sites

Plan Bay Area 2050 Growth Geographies

The Metropolitan Transportation Commission (MTC) and ABAG jointly adopted Plan Bay Area 2050 in October 2021. Thirty-five strategies make up the heart of the plan to improve housing, the economy, transportation, and the environment across the Bay Area's nine counties. Throughout Plan Bay Area 2050, Growth Geographies are geographic areas used to guide where future growth in housing and jobs would be focused under the plan's strategies over the next 30 years. These geographies are identified for growth either by local jurisdictions or because of their proximity to transit or access to opportunity. All sites included in the Housing Element are considered Priority Development Areas (PDAs), defined as areas generally near existing job centers or frequent transit that are locally identified (i.e., identified by towns, cities, or counties) for housing and job growth.

¹ ABAG estimates an affordability breakdown of ADUs as follows: 30% very low-income, 30% low-income, 30% moderate-income, and 10% above moderate-income. Technical Assistance for Local Planning, Housing – Using ADUs to Satisfy RHNA, Technical Memo, March 2022.

2010-2035 General Plan Focus Areas, Focus Area Plans, and Related Planning Efforts

In 2010, the City of Santa Clara adopted its comprehensive 2010-2035 General Plan, which included identification of nine focus areas throughout the City, listed in Table 4 (General Plan Focus Areas). These areas were chosen for their potential to significantly define Santa Clara's identity as a place in transition from a suburb to a regional economic center. The opportunity to develop at a higher density near transit is central to this new identity. A comprehensive plan, such as a specific plan, is a required prerequisite for new residential development within a focus area. The purpose of these plans and the prerequisite requirements ensure that new neighborhoods are self-sufficient, with easy access to retail, services, and public amenities. Specific Plans also ensure that adequate public services and facilities are provided in tandem with new development. In 2014, the City initiated updates to the Housing Element and Land Use policies that identify and require future development to be comprehensively planned through the preparation of Specific Plans within the Lawrence Station and Tasman East Focus Areas. Of the nine focus areas identified in the 2010-2035 General Plan, four have resulted in Specific Plans, three of which have been adopted. The Freedom Circle Future Focus Area was added to the General Plan in June 2022, while preparation of this sixth cycle Housing Element was well underway. A specific plan has not been drafted or adopted for this focus area, and therefore the focus area, with the exception of the Greystar site that had its own approved General Plan Amendment and Rezoning to allow residential development, was not included in the sites inventory. However, properties within that planning area could become available during the planning period if a specific plan were adopted, helping to guard against the loss of affordable housing capacity.

Table 4
General Plan Focus Areas

2010-2035 General Plan Focus Area	Related Planning Effort	Status
Downtown Focus Area	Santa Clara Downtown Precise Plan	Draft, Nov. 2022
Santa Clara Station Focus Area	None	N/A
Stevens Creek Boulevard Focus Area	None	N/A
El Camino Real Focus Area	El Camino Real Specific Plan	Draft May 2021
Lawrence Station Focus Area	Lawrence Station Area Plan	Adopted Nov. 2016
Tasman East Focus Area	Tasman East Focus Area Specific Plan	Adopted Nov. 2018; Revised, Nov. 2020
Great America Parkway Focus Area	Patrick Henry Drive Focus Area Specific Plan	Adopted, Mar. 2022
Freedom Circle Focus Area	Freedom Circle Future Focus Area Plan	Adopted, June 2022
Central Expressway Focus Area	None	N/A
De La Cruz Focus Area	None	N/A
<i>Source(s): City of Santa Clara 2010-2035 General Plan, Nov. 2010. Patrick Henry Drive Specific Plan, March 2022. Lawrence Station Area Plan, Neighborhood Transit-Oriented Development Plan, Nov. 2016. Tasman East Focus Area Specific Plan, Nov. 2020.</i>		

Focus Areas and Specific Plans

A considerable portion of Santa Clara is designated for specific plan development. The City has three approved Specific Plans with a significant number of sites and residential development capacity remaining. Combined, the sites identified in the Lawrence Station, Tasman East, and Patrick Henry Drive Specific Plan areas have enough capacity to satisfy the outstanding RHNA (i.e., the remaining RHNA after pending and proposed projects in Table 2), with 6,336 total units distributed among the four income categories as shown in Tables 3 and 4. The Specific Plan areas provide opportunities for development of market-rate and affordable housing. Development types authorized by the approved

Specific Plans include multi-unit and mixed-use development. None of the listed Specific Plan areas have any site restrictions or governmental constraints that would impede development. Further detail is provided in the following sections. The Specific Plan sites have a high level of certainty to develop given that:

- Through the adoption and implementation of each City-initiated Specific Plan, all parcels within each area have been re-zoned to accommodate high density residential development.
- Specific parameters for densities, uses, development standards, and minimum affordability requirements have already been established.
- No recent, significant enhancements have been made to these sites.
- Infrastructure is either in place, or planned for, in support of proposed land uses, addressing transportation, wet utilities, solid waste management, and energy services and systems. For both the Tasman East and Patrick Henry Drive Specific Plans, an infrastructure fee has been created to apportion costs between developers in the Plan Areas.
- Redevelopment of nonresidential uses into high density residential and mixed-use has already occurred, illustrating developer and property owner interest and the financial feasibility of site redevelopment.
- All land use designations within the Specific Plan areas have established minimum densities.
- No land use designation in the Tasman East Specific Plan or Lawrence Station Area Plan areas allows for stand-alone nonresidential uses.
- The City has financial resources available to support the development of affordable housing.
- All developments in the Tasman East Specific Plan area adhere to the affordable housing requirements referenced in Section 17.40.115 of the Santa Clara City Code. For-sale and rental affordable units shall be maintained as affordable housing for not less than 20 years applicable to for-sale units and 55 years applicable to rental units.
- In recognition of the conversion of employment uses to residential land, the Patrick Henry Specific Plan calls for a higher level of affordability than is required by ordinance. Affordable housing requirements for the Patrick Henry Specific Plan will provide 15 percent affordable units split equally between three affordability levels of 50 percent, 80 percent, and 120 percent of Area Median Income (AMI).
- Additionally, affordability by design in Specific Plan areas is encouraged, with the development of smaller units targeted for those who desire a walkable, urban lifestyle.

Tasman East Focus Area Specific Plan

Adopted in November 2018, the Tasman East Specific Plan regulates the development of 46.1 acres of land located near the City's northern boundary. Approved for the development of 4,500 units, full buildout of the area will likely occur by 2038. The Specific Plan area includes 34 parcels situated east of Lafayette Street, north of Tasman Drive, west of the Guadalupe River Trail, and south of the Santa Clara Tennis and Golf Club property. Each parcel of one acre or more in size is required to accommodate a minimum density of 100 dwelling units per acre. Each parcel of less than one acre in size is required to achieve a minimum density of 60 dwelling units per acre. There are no density maximums for individual parcels. Approximately half of the Tasman East Specific Plan's parcels, on 31 acres, have been redeveloped from a mix of light industrial and business park uses to a high density residential neighborhood with a mix of uses at the ground floor. Eleven projects within the Specific Plan area were counted toward the sixth cycle RHNA as approved, proposed, or under construction. The area's remaining parcels, on 10 acres, have been identified as sites and remain to be re-developed. Assuming the realistic capacities, on a parcel-level, the remaining Tasman East Specific Plan area sites identified in this Housing Element can accommodate a total of 913 units.

Lawrence Station Area Plan

The Santa Clara Lawrence Station Area Plan Area is located northeast of the Lawrence Caltrain Station, bounded by Central Expressway to the north, Kifer Road to the South, Lawrence Expressway to the west, and Calabazas Creek to the east, encompassing approximately 72 acres (65 acres of developable land area excluding existing public right-of-way). Adopted in 2016, the Lawrence Station Area Plan is largely developed. Residential uses have replaced the areas original uses: one- and two-story buildings, generally occupied by light industrial (including manufacturing and warehousing uses), office (including R&D and data centers), and various other commercial uses. Originally approved for the development of 3,500 residential units, 13 parcels, on approximately 30 acres, remain to be developed and are included in this Housing Element's site selection. Assuming realistic capacities, on a parcel-level, the remaining Lawrence Station Area Plan sites identified in this Housing Element can accommodate a total of 2,756 units.

Patrick Henry Drive Focus Area Specific Plan

In March 2022, the City Council approved the Patrick Henry Drive Specific Plan. The planning area encompasses approximately 73.59 acres bounded by Sunnyvale and Calabazas Creek to the west, the southern edge of San Francisco Public Utilities Commission right-of-way to the north, Great America Parkway to the east, and Mission College to the south. As one of the City's first high-density residential neighborhoods, Patrick Henry Drive will add thousands of units to better balance the City's jobs-housing ratio, a share of which will be income restricted to help meet regional and local affordability goals. Several regional destinations and amenities are nearby, including Levi's Stadium, Great America Theme Park, and the Santa Clara Convention Center. The VTA light rail station at Old Ironsides and Tasman Drive is just over one-half mile, or an approximately 10-minute walk, from the center of the Specific Plan area. The Patrick Henry Drive Specific Plan resulted from a collaborative planning effort involving the City, area property owners, and the Santa Clara community. The plan will create a 73.59-acre high-density, residential neighborhood located near regional destinations, including job-centers, transit, and other amenities. At buildout, the project will accommodate up to 12,000 new residential dwelling units and 310,000 square feet of nonresidential uses, including 200,000 square feet of other new neighborhood-serving retail and public facilities, such as libraries and community spaces. New and improved pedestrian and bicycle connections, trails, and parks will link neighborhoods and enhance connections to nearby amenities and recreation destinations. Careful planning will ensure adequate infrastructure and services to support the proposed new development. Targeted residential densities range from a minimum of 51 dwelling units per acre to a maximum of 250 units per acre. These densities will help meet the demand for housing that addresses job and retail growth in the City and region. Assuming the realistic capacities, on a parcel-level, the Patrick Henry Drive Specific Plan sites identified in this Housing Element can accommodate a total of 6,139 units.

General Plan Amendment

The proposed Housing Element Update includes amendments to the General Plan removing the following three Future Focus Areas: Lawrence Station Phase II, De La Cruz, and Central Expressway. (These Future Focus Areas were determined internally to have limited value for residential uses based on existing uses both in and around the to-be-deleted Future Focus Areas. None of these future focus areas were included in the inventory of sites for potential future housing element, in either the proposed housing element or any prior housing element. The project also amends the General Plan to make the High-Intensity Office District more relevant to current business practices by removing the 10% cap on manufacturing uses in the High-Intensity Office/Research and Development designation and removing the 20% manufacturing cap from the Low-Intensity Office/Research and Development designation. The General Plan Amendment also proposes to allow medical facilities on a limited basis in the Low- and High-Intensity Office/Research and Development designations.

Proposed Housing Element Update Goals and Policies

The Housing Element Update's goals and policies have been established to meet state law housing requirements and support the City's vision of providing decent housing and a suitable living environment for every resident. The Housing Plan identifies the City's goals for neighborhood conservation, housing production, housing support, and housing opportunities. The goals are supported by policies which are implemented through a series of actions. To make adequate provision for the housing needs for people of all income levels, the Housing Element Update includes the following goals and policies:

Goal A ***Create and maintain high-quality, livable, and diverse housing stock within the City of Santa Clara.***

Policy A-1: Maintain and improve the quality of residential housing stock, address housing deficiencies and prevent future blight through the encouragement of ongoing maintenance, rehabilitation, and conservation of existing housing stock.

Policy A-2: Provide residential code enforcement for conformance with City Code and Zoning Ordinance regulations.

Policy A-3: Utilize objective design standards to streamline the housing development process.

Policy A-4: Seek collaborative efforts with regional entities and utility service providers to subsidize and incentivize residential energy and water conservation.

Policy A-5: Proactively plan for sufficient housing capacity through infill development that is compatible with existing neighborhoods and through the preparation of neighborhood plans that will support the development of new, complete neighborhoods.

Goal B ***Designate suitable vacant or underutilized sites for new residential development.***

Policy B-1: Identify potential sites for affordable housing units in areas of "high opportunity" as defined by the state.

Policy B-2: Encourage the building of high-density housing on appropriate vacant or underutilized sites.

Policy B-3: Identify and facilitate the award of local, regional, state, and federal funding sources to support housing development, housing infrastructure, and amenities.

Policy B-4: Identify and potentially designate surplus land that can accommodate low, very-low, and extremely low-income residential development.

Policy B-5: Encourage high density residential development utilizing the City's higher density and mixed-use residential designations in proximity to transit and other residential services.

Goal C ***Increase special needs housing opportunities for persons of all economic levels.***

Policy C-1: The City shall collaborate with services agencies and community-based organizations to prioritize loans and grants toward housing for seniors, persons with disabilities, persons with mental illness, large families with children, female-headed households, victims of domestic violence, and people who are experiencing homelessness.

- Policy C-2:** Improve proximity and connections between special needs housing and high-quality transit stops, job centers, educational institutions, day care, open space, community services, and healthy food options.
- Policy C-3:** Participate in local, regional, State, and federal programs and efforts that support affordable, transitional, supportive, and permanent housing and address the needs of disadvantaged populations and those experiencing homelessness.
- Policy C-4:** Ensure compliance with all State and federal regulations relating to housing opportunities and the prevention of discrimination based on religion, gender, sexual orientation, marital status, national origin, ancestry, familial status, source of income, or mental or physical disability and any other protected classes under federal and State law.
- Goal D** ***Promote a variety of housing types, tenure, and location, including higher density where possible, especially for lower and moderate income and special needs households.***
- Policy D-1:** Continue to identify and apply for funding that supports the development of housing for extremely-low and very low-income residents and special needs households.
- Policy D-2:** Continue to utilize General Plan land use and zoning updates to provide increased opportunity and flexibility in providing a variety of housing types and tenure.
- Policy D-3:** Periodically review the City's ordinances, policies, and procedures and make changes as necessary to reduce or remove constraints to housing development.
- Policy D-4:** Promote the use of density bonuses and development incentives to facilitate a variety of housing types and tenure.
- Policy D-5:** Encourage the construction of accessory and junior accessory dwelling units through outreach, education, and links to regional technical assistance.
- Goal E** ***Affirmatively further fair housing by increasing access to opportunity, reducing displacement impacts, reducing cost burden, targeting outreach to lower income residents, and rehabilitating substandard living conditions.***
- Policy E-1:** Improve access to opportunity by working to improve the quality of life for residents of lower income communities, as well as supporting residents' mobility and access to 'high resource' neighborhoods.
- Policy E-2:** Work to reduce displacement of lower income residents from Santa Clara and to reduce the impact of relocation on low-income households.
- Policy E-3:** Conduct proactive outreach in areas of the City with less access to opportunity, to build awareness of services including fair housing complaint investigation, landlord tenant mediation, eviction and homelessness prevention counseling, and opportunities to apply for new affordable housing through the HouseKeys application portal.
- Policy E-4:** Conduct regular outreach, education, and affirmative marketing with community partners that have access to populations experiencing disproportionate housing problems and

encourage early participation from a diverse set of residents and other stakeholders in the development of long-range plans and the review of new development proposals.

Policy E-5: Increase public participation by translating public outreach documents (e.g., flyers, surveys) as part of the public participation process and when marketing the City's affordable housing lotteries.

Policy E-6: Continue to provide, when appropriate and feasible, options for either virtual, in-person, or hybrid community meetings to allow for broader community participation.

Housing Element Update Implementing Actions

Each Goal outlined in the Housing Plan is supported by one or more policies, which are often implemented by specific actions. Many of the identified actions below will implement multiple policies and goals. Some policies offer direction to Staff and appointed/elected officials in making decisions related to the provision of housing but are not implemented through specific housing programs.

Action 1: Provision of a Variety of Housing Types

The City of Santa Clara supports and encourages the development of a variety of housing types to rent and to own in a variety of locations to maintain social and economic diversity in the community. During the Housing Element planning period, the City will promote the development of accessory units, affordable one- and two-story additions to single-family homes, and other lower income housing alternatives.

Action 2: Affordable Housing Ordinance

The City's Affordable Housing Ordinance requires developers of residential developments of 10 or more units to provide the following:

- Rental projects - 15% of rental units must be affordable to renters of extremely low, very low, low, and moderate income households, as long as the distribution of affordable units averages to a maximum of 100% of AMI.
- For sale/ownership projects - 15% of units must be affordable to extremely low, very low, low, and moderate income households, as long as the distribution of affordable units averages to a maximum of 100% of AMI.

The Affordable Housing Ordinance has two components: Below Market Rental (BMR) program and Below Market Purchase (BMP) program. The City offers BMR and BMP units to income-qualified households. This program is an important tool for providing very low, low, and moderate income housing opportunities.

Action 3: Affordable Housing Incentives and Facilitation

For-profit and nonprofit developers play a significant role in providing affordable housing in Santa Clara. The City will proactively encourage and facilitate the development efforts of developers and organizations for the construction of affordable housing for lower income households, particularly those with special needs including seniors, large households, extremely low income households, households with persons who have disabilities (including developmental disabilities), and licensed residential care homes.

Action 4: Maintenance of Housing Stock

Since 1976, the City of Santa Clara has assisted more than 1,000 homeowners to rehabilitate and increase the value of their homes through the Neighborhood Conservation and Improvement Program (NCIP). Under the direction of the City of Santa Clara Housing and Community Services Division and

in partnership with Rebuilding Together Silicon Valley, NCIP offers technical and financial assistance to qualified homeowners. The program is designed for citywide households with gross incomes at or below 80 percent of County median income. Various types of minor and major repairs may be addressed including accessibility improvements, re-roofing, plumbing, heating/cooling, electrical, termite damage, foundation, and weatherization. The costs for home repairs are covered through a grant or a loan depending on the size of the project. The Multi-Family Affordable Energy Efficiency program allows for the City's special revenue funds in partnership with Silicon Valley Power (SVP) to pay for energy consultants to recommend and create a scope of work for specific SVP project rebates. The program also allows for the City to provide assistance for the cost of installation and facilitate the grant administration process.

Action 5: Preservation of Assisted Rental Housing

To meet the housing needs of persons of all economic groups, the City is committed to guarding against the loss of housing units reserved for lower income households. Five assisted rental projects in Santa Clara are identified to be at potential low risk of conversion to market rate use in 2028-2031.

Action 6: Acquisition of Multi-Family Housing

As a strategy to expand the City's affordable housing inventory, Santa Clara will continue to explore opportunities for the acquisition/rehabilitation of multi-family housing. As funding permits, the City will work with nonprofit organizations to acquire and rehabilitate deteriorating and distressed properties and convert them into affordable rental housing for lower income households, including those with special needs.

Action 7: Code Enforcement Program

Code enforcement is essential to ensuring housing conservation and rehabilitation. The City maintains a strong housing inspection and code enforcement program to ensure adequate maintenance of the housing stock and quality of residential neighborhoods. In an average year, the City receives several thousand complaints related to possible code enforcement violations. In many cases, the responsible party for the code violation is given the opportunity to voluntarily correct the situation and comply with current codes without a penalty.

Action 8: Neighborhood Relations Programs

Since 1990, the Neighborhood-University Relations Committee (NURC) (formerly Student Housing Committee) has been responsible for reviewing student housing issues. NURC meets regularly to facilitate on-going communication and problem solving among City officials, neighborhoods, property owners and Santa Clara University (SCU) officials and students. Santa Clara University has established a Residency Requirement for Freshman and Sophomore students, with some exceptions, to live on campus. In 2022 the City convened an ad hoc Homelessness Task Force which will be replaced in 2023 with a permanent Housing Commission. The new commission will advise on the use of the City's federal CDBG and HOME funds, and on the City's homelessness response efforts.

Action 9: Zoning Ordinance

The City is currently undertaking a comprehensive update to its Zoning Ordinance to reflect the current goals and policies of the 2010-2035 General Plan. As part of this update, the City will reconsider, and revise, if appropriate, its provisions for parking, mixed use developments, shared housing and residential care facilities, employee housing, and SRO housing. The update is expected to be completed in early 2023. The comprehensive Zoning update is intended to bring consistency between the Zoning Ordinance and the General Plan, implementing the General Plan goals by facilitating mixed use development and higher density residential development, protecting existing neighborhoods, and incentivizing redevelopment with appropriate development standards and streamlined procedures.

Action 10: Adequate Sites Inventory

The City is committed to ensuring that adequate sites at appropriate densities remain available during the planning period, as required by law. The residential sites analysis completed for the 2023-2031 Housing Element indicates the City can accommodate its RHNA of 11,632 units, including 2,872 very low income units, 1,653 low income units, 1,981 moderate income units, and 5,126 above moderate income units.

Action 11: Impact Fees

The City charges various impact fees to provide essential services and facilities to serve new development. The City will conduct an impact fee study to compare the City's fees with surrounding and similar jurisdictions.

Action 12: Affordable Housing Funding

The City will continue to explore gaining access to additional resources that provide a steady funding stream for affordable housing. These may include, funding from the Bay Area Housing Finance Authority, County, State, federal, housing or land trust funds, and private sector support, partnerships, or philanthropy.

Action 13: Residential Development

Development in the City has primarily occurred as the recycling of existing marginal commercial and industrial uses into higher density multi-family housing. As such, the City has not yet experienced direct displacement of lower income households due to new development. As redevelopment of existing uses continues, the City will evaluate potential displacement of residents, and develop and adopt measures, as appropriate, to address the risk of direct or indirect displacement of those existing residents. The City will monitor such measures biannually for effectiveness and make necessary adjustments.

Action 14: Housing Choice Voucher Program

The Section 8 Housing Choice Voucher Program extends rental subsidies to very low income households, as well as elderly and disabled persons. The subsidy represents the difference between 30 percent of the monthly income and the allowable rent determined by the Section 8 program. Vouchers permit tenants to locate their own housing and rent units beyond the federally determined fair market rent in an area. The City's role in this action will be to advocate for more Housing Choice Vouchers for Santa Clara residents.

Action 15: Homeownership for First-Time Buyers

The City continues to create affordable ownership units through its Inclusionary Housing Policy. HouseKeys partners with Santa Clara staff to offer the units created through the Inclusionary Housing - Below Market Purchase (BMP) program to income-qualified households. The intent of the BMP program is to offer low and moderate income homebuyers an opportunity to purchase a home they would not ordinarily be able to afford. If a BMP homeowner wishes to sell the home between 6-20 years after purchase, they must pay back the City's remaining note value and a share of the equity increase. Other resources for affordable homeownership are also available to Santa Clara residents. These include the Housing Trust Silicon Valley, Mortgage Credit Certificates, Habitat for Humanity, and Santa Clara County's Office of Supportive Housing.

The Housing Trust Silicon Valley Empower Homebuyers SCC program provides loans to low- and moderate-income homebuyers in Silicon Valley in the form of low-interest, second mortgages and down-payment assistance. Santa Clara residents are eligible for two types of assistance offered by the Housing Trust, mortgage assistance and gap assistance. The Mortgage Credit Certificate Program (MCC), administered by the County of Santa Clara Office of Affordable Housing, provides financial assistance to first-time homebuyers. The Santa Clara County MCC tax credit reduces the federal

income taxes of qualified borrowers purchasing qualified homes, thus having the effect of a mortgage subsidy. The current tax credit rate is up to 15 percent of the interest paid to the lender on the first loan. Habitat for Humanity East Bay/Silicon Valley provides ownership opportunities for first-time homebuyers via a sweat equity and savings plan programs. Households, friends, and family contribute 250-500 hours of sweat equity into the construction of their homes.

Santa Clara County's Measure A also set aside funds to assist first time homebuyers. In 2023, the County will roll out new programs that help low income households attain home ownership.

Additionally, SB 9, signed into law in September of 2021 and effective January 1, 2022, allows property owners within single-family residential zones to build two units and/or to subdivide an existing lot into two parcels, for a total of four units that can each be sold as separate units, can help enable affordable home ownership for first time buyers.

Action 16: Fair Housing Program

The City contracts with a qualified fair housing services provider to provide fair housing services to its residents. Currently, the City utilizes Project Sentinel, a nonprofit agency that provides information and dispute resolution services to tenants, landlords, and roommates. Since 2009, Project Sentinel has assisted over 1,000 Santa Clara households and landlords to resolve disputes through counseling, conciliation, and mediation.

Action 17: Homeless Services

In 2022 the City convened a six-month Homelessness Taskforce. The Taskforce included stakeholders with a range of perspectives and experience to help identify priorities and provide recommendations related to the development of a local plan to reduce homelessness and its impacts. Additionally, the City's Police Department conducts outreach through the Community Response Team and the Housing and Community Services Division administers grants to several local agencies that offer services to the homeless. The following agencies have received funding from the City:

- WeHope Dignity on Wheels Mobile Shower and Laundry Service
- Santa Clara County Homelessness Prevention System (HPS)
- Santa Clara County case management for permanent supportive housing clients
- Next Door Solutions to Domestic Violence
- Emergency Housing Consortium
- St. Justin Community Ministry
- Bill Wilson Center
- Abode Services
- Community Technology Alliance
- InnVision

Action 18: Shared Housing

Shared housing can be an affordable housing alternative for seniors and other lower income seniors, disabled, and special needs residents when sufficient support and property management services are included. The City can support this housing type through acquisition and rehabilitation subsidies.

2.9 – Required Approvals

The project would require the following approvals:

- General Plan Amendment to adopt the Housing Element and text amendments to remove the square footage limitations on manufacturing in the low- and high-intensity office districts.
- General Plan Amendment to remove the De La Cruz, Central Expressway and Lawrence Station Phase II Future Focus Areas.
- General Plan Text Amendment to remove the square footage limitations on manufacturing and to allow medical facilities in limited circumstances in the low- and high-intensity office districts.
- Adoption of the Zoning Code Update to implement Action 1 (provision of a variety of housing types) and Action 9 (Zoning Code Update) in the Implementing Actions section of the Housing Element document.

2.10 – Other Public Agency Whose Approval is Required

- None.

This Page Intentionally Left Blank

This Page Intentionally Left Blank.

3 Determination

3.1 – Environmental Categories Potentially Affected

The environmental categories checked below were identified in the General Plan EIR and subsequent amendments as being a 'Potentially Significant Impact,' and the following Sections of this Addendum identify to what degree the proposed project contributes to these previously identified significant impacts.

<input type="checkbox"/>	Aesthetics	<input type="checkbox"/>	Agriculture Resources	<input checked="" type="checkbox"/>	Air Quality
<input checked="" type="checkbox"/>	Biological Resources	<input type="checkbox"/>	Cultural Resources	<input type="checkbox"/>	Energy
<input type="checkbox"/>	Geology /Soils	<input checked="" type="checkbox"/>	Greenhouse Gas Emissions	<input type="checkbox"/>	Hazards & Hazardous Materials
<input type="checkbox"/>	Hydrology / Water Quality	<input type="checkbox"/>	Land Use / Planning	<input type="checkbox"/>	Mineral Resources
<input checked="" type="checkbox"/>	Noise	<input checked="" type="checkbox"/>	Population / Housing	<input type="checkbox"/>	Public Services
<input type="checkbox"/>	Recreation	<input checked="" type="checkbox"/>	Transportation/Traffic	<input type="checkbox"/>	Tribal Cultural Resources
<input checked="" type="checkbox"/>	Utilities / Service Systems	<input type="checkbox"/>	Wildfire	<input type="checkbox"/>	Mandatory Findings of Significance

3.2 – Determination

<input type="checkbox"/>	The project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
<input type="checkbox"/>	Although the project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
<input type="checkbox"/>	The project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
<input type="checkbox"/>	The project MAY have a 'potentially significant impact' or 'potentially significant unless mitigated' impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
<input checked="" type="checkbox"/>	The project could have a significant effect on the environment, but all of its potentially significant effects (a) have been adequately analyzed in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION. As such, no further environmental documentation (e.g., a subsequent EIR) is required.

This Page Intentionally Left Blank

4 Evaluation of Environmental Impacts

The purpose of this Addendum is to evaluate the CEQA environmental checklist categories in terms of any changed conditions from the approved General Plan EIR and subsequent amendments to the proposed project (e.g., project changes, changed circumstances, or new information of substantial importance) that may produce a changed environmental result (e.g., a new significant impact or substantial increase in the severity of a previously identified significant effect) pursuant to CEQA Guidelines Section 15162, 15164, and 15168(c). As such, the Addendum's checklist analysis uses the standard environmental categories provided in Appendix G of the CEQA Guidelines but provides answer columns for evaluation consistent with the considerations listed in Guidelines Section 15162(a). Mitigation measures identified in the General Plan EIR and applicable to the proposed project are discussed under each environmental Section and are listed in Section 5 – Applicable Mitigation Measures. As discussed in the following Sections, the proposed project would not result in new significant environmental effects or a substantial increase in the severity of impacts previously identified by the General Plan EIR and subsequent amendments.

EXPLANATION OF CHECKLIST EVALUATION CATEGORIES (COLUMNS)

Effect Not Examined in the General Plan EIR?

Pursuant to CEQA Guidelines Section 15168(c)(1), this column indicates whether the project would have effects that were not previously examined by the General Plan EIR and subsequent EIRs, which new effects could necessitate subsequent CEQA review.

Conclusion in the General Plan EIR and Subsequent EIRs?

This column summarizes the conclusion of the General Plan EIR and subsequent EIRs concerning the environmental issue listed under each topic.

Proposed Changes Involving New or More Severe Impacts?

Pursuant to CEQA Guidelines Section 15162(a)(1), this column indicates whether any changes represented by the proposed project would result in new significant environmental impacts not previously identified or mitigated by the General Plan EIR and subsequent EIRs or whether the changes would result in a substantial increase in the severity of a previously identified significant impact.

New Circumstances Involving New or More Severe Impacts?

Pursuant to CEQA Guidelines Section 15162(a)(2), this column indicates whether there have been substantial changes with respect to the circumstances under which the project would be undertaken that would require major revisions to the General Plan EIR and subsequent EIRs due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects.

New Information Showing New or More Severe Impacts?

Pursuant to CEQA Guidelines Section 15162(a)(3), this column indicates whether new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the General Plan EIR and subsequent EIRs were certified, shows any of the following:

- (A) The project would have one or more significant effects not discussed in the General Plan EIR and subsequent amendments;
- (B) Significant effects previously examined would be substantially more severe than shown in the General Plan EIR and subsequent amendments;
- (C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
- (D) Mitigation measures or alternatives that are considerably different from those analyzed in the General Plan EIR and subsequent amendments would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

If the additional analysis completed as part of this environmental review were to find that the conclusions of the General Plan EIR and subsequent EIRs remain the same and no new significant impacts are identified, or identified impacts are not found to be substantially more severe, or additional mitigation is not necessary, then the question would be answered “No,” and no subsequent environmental review would be required.

DISCUSSION FOLLOWING CHECKLIST EVALUATION

A discussion of the elements of the checklist is provided under each environmental category in order to clarify the answers regarding the proposed project in relation to the General Plan EIR and subsequent EIRs. The discussion provides information about the particular environmental issue, how the project relates to the issue, and the status of any mitigation that may be required or that has already been implemented. Applicable mitigation measures from the General Plan EIR and subsequent EIRs that apply to the proposed project are listed under each environmental category. The text of the General Plan EIR mitigation measures are included at the end of each of the topical sections. The summary of each of the subsequent Specific Plan EIR's has been excerpted and are included in Appendix C, and each of the summaries includes the mitigation measures for each of the subsequent Specific Plan EIR's.

Conclusion

Each Section ends with a summary of the conclusion of the preceding analysis.

4.1 – Aesthetics

Would the project:

	Effect Examined in General Plan EIR?	Conclusion in General Plan EIR?	Proposed Changes Involving New or More Severe Impacts?	New Circumstances Involving New or More Severe Impacts?	New Information Showing New or More Severe Impacts?
a) Have a substantial adverse effect on a scenic vista?	Yes	Less than Significant Impact	No	No	No
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within view from a state scenic highway?	Yes	Less than Significant Impact	No	No	No
c) In non-urbanized area, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?	Yes	Less than Significant Impact	No	No	No
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	Yes	Less than Significant Impact	No	No	No

Proposed Project in Relation to the General Plan EIR and Subsequent Amendments

(a) Scenic Vistas. The General Plan EIR noted that there are no scenic vistas within the City, but the City of Santa Clara offers many views of the community and surrounding natural features, including panoramic views of the Santa Cruz Mountains and the Diablo Range and stretches of open space and undeveloped land in the Ulistac Natural Area. It was further noted that these scenic vistas can be viewed from the system of roadways and formal and informal public trails throughout the City, but private views of these resources from residential neighborhoods are currently obstructed by adjacent development. The General Plan EIR found that development and redevelopment under the 2010-2035 General Plan could obstruct views of these scenic vistas from the system of roadways and formal and informal public trails throughout the City. However, it was noted that the 2010-2035 General Plan includes a range of policies that provide program-level mitigation for effects to the scenic vistas and ensure high quality design that maintains the quality of these scenic vistas and ensures their importance in the City's future.

Therefore, it was determined that implementation of General Plan policies and existing programs would minimize effects to the existing scenic vistas and impacts would be less than significant.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, project impacts would be similar to the General Plan EIR. *Therefore, the proposed Housing Element would have a less than significant effect on scenic vistas.*

(b) Scenic Resources within a State Scenic Highway. The General Plan EIR noted that development under the 2010-2035 General Plan has the potential to alter the City's scenic resources. It was also noted that the El Camino Real Focus Area would serve as a gateway into the City and help define the boundary of the City's historic core, and transition goals and policies, in conjunction with the El Camino Real Focus Area policies require that this development respect the existing historic character and development patterns of the surrounding area. It was further noted that the Downtown Focus Area offers opportunities for place-making and for a unique destination in the City to serve both local and regional interests, and that revitalization will support the Major Strategies for City identity and community vitality. The General Plan EIR found that policies related to Areas of Historic Sensitivity and to transitions would also apply in order to respect the existing character and development patterns of the surrounding area. It was found that most development would go through the City's architectural review process prior to issuance of building permits, and would be reviewed for consistency with the City's Design Guidelines. It was further found that the City's scenic resources would be managed consistent with City adopted regulations and policies, in combination with State regulations. Implementation of proposed policies and existing programs would minimize effects to the existing scenic resources. *Therefore, the General Plan EIR determined that implementation of General Plan policies and existing programs would minimize effects to the existing scenic resources and impacts would be less than significant.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, project impacts would be similar to the General Plan EIR. *Therefore, the proposed Housing Element would have a less than significant effect on scenic resources within a State Scenic Highway.*

(c) Degrade Existing Visual Character. The General Plan EIR noted that new development and redevelopment under the General Plan would be substantial enough, and would occur at key locations throughout the City, such that it could have the potential to degrade the visual character of the City without appropriate planning and oversight. However, the General Plan EIR noted that most development would go through the City's architectural review process prior to issuance of building permits, and would be reviewed for consistency with the City's Design Guidelines. In addition, it was noted that Focus Areas within which much of the changes would occur are strategically designed to protect the integrity of residential neighborhoods, and changes to public spaces, including roadways, would be designed to upgrade the aesthetic environment. The General Plan EIR found that the City's visual character would be maintained consistent with City adopted regulations and policies, in combination with State regulations. It was further noted that the General Plan includes a range of policies to ensure high quality design that supports and enhances the aesthetic qualities and character of the City and minimize or avoid adverse effects on the existing visual character. *Therefore, the General Plan EIR determined that implementation of General Plan policies and existing programs would minimize effects to the existing visual character and impacts would be less than significant.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including

subsequent EIRs related to specific plans or area plans, project impacts would be similar to the General Plan EIR. *Therefore, the proposed Housing Element would have a less than significant effect on the existing visual character of the area.*

(d) Light and Glare. The General Plan EIR noted that new development and redevelopment under the 2010-2035 General Plan has the potential to create additional light or glare in the City, and sources of light and glare would include external housing lights, street-lights, parking lot lights, security lights, vehicular headlights, internal building lights, and reflective building surfaces and windows. It was also noted that most new development would go through the City's architectural review process prior to issuance of building permits, and would be reviewed for consistency with the City's Design Guidelines. The General Plan EIR found that the City's light and glare would be reduced and managed consistent with City adopted regulations and policies, in combination with State regulations. It was also found that the 2010-2035 General Plan includes a range of policies to provide program-level mitigation for effects to the neighborhoods from new light and glare resources and ensure high quality design that maintains the quality of existing neighborhoods and reduces light and glare. *Therefore, the General Plan EIR determined that implementation of General Plan policies and existing programs would minimize effects of light and glare and impacts would be less than significant.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, project impacts would be similar to the General Plan EIR. *Therefore, the proposed Housing Element would have a less than significant effect related to light and glare.*

Cumulative Impacts

The General Plan EIR noted that visual and scenic resources are generally localized, although specific resources can be regional in nature, such as vistas of a mountain range. It was also noted that build-out of the General Plan would be limited to redevelopment of existing urbanized areas within Santa Clara, as there are only a small number of vacant undeveloped parcels remaining in the City. Further, it was noted that cumulative development within Santa Clara by other public agencies (i.e., the public school districts), or in adjacent communities (i.e., San Jose), would also largely consist of 'recycling' of existing developed parcels for new urban land uses or intensification of existing land uses. The General Plan EIR determined that implementation of the General Plan, including implementation of design review process and incorporation of applicable policies regulating the appearance of new development, would not result in impacts to regional visual and scenic resources, such as the Valley's surrounding hillsides, in that new and redevelopment would not be of a scale or density to affect regional visual and scenic resources. *Therefore, the General Plan EIR determined that the City's contribution to cumulative regional visual and scenic resource impacts would be less than significant.*

The Planning Area is completely urbanized and cumulative impacts related to aesthetics were analyzed in the General Plan EIR and were determined to be less than significant. The proposed Housing Element Update would be required to implement General Plan EIR Mitigation Measures 4.10-1 and 4.10-2. *Therefore, the cumulative aesthetic impact from the proposed Housing Element Update would be less than significant.*

Conclusion

The General Plan EIR determined that implementation of the 2010-2035 General Plan in accordance with proposed policies and actions would result in less than significant aesthetic and visual character impacts and no mitigation measures were required. The proposed Housing Element Update would

implement General Plan policies and existing programs and would not substantially impact the aesthetic or visual character of the Planning Area. The RHNA allocation described in the proposed Housing Element Update would be within the amount of residential development potential analyzed in the General Plan EIR and subsequent EIRs, and would result in similar less than significant aesthetic impacts. The proposed project would be within the scope of what was evaluated in the General Plan EIR and subsequent amendments and would not produce new or substantially more severe environmental impacts. As such, no subsequent environmental analysis and no new mitigation are required.

Applicable General Plan EIR Mitigation Measures

No applicable General Plan EIR mitigation measures.

4.2 – Agriculture and Forest Resources

In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment Project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board.

Would the project:

	Effect Examined in General Plan EIR?	Conclusion in General Plan EIR and Subsequent EIRs?	Proposed Changes Involving New or More Severe Impacts?	New Circumstances Involving New or More Severe Impacts?	New Information Showing New or More Severe Impacts?
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	No	Not Examined	No	No	No
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	No	Not Examined	No	No	No
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code Section 12220(g)), timberland (as defined by Public Resources Code Section 4526), or timberland zoned Timberland Production (as defined by Government Code Section 51104 (g))?	No	Not Examined	No	No	No
d) Result in loss of forest land or conversion of forest land to non-forest use?	No	Not Examined	No	No	No
e) Involve other changes in the existing environment which, due to their location or nature, could result in	No	Not Examined	No	No	No

conversion of Farmland to non-agricultural use or conversion of forest land to non-forest use?					
--	--	--	--	--	--

Proposed Project in Relation to the General Plan EIR and Subsequent Amendments

(a) Designated Farmland. The General Plan EIR did not analyze impacts related to conversion of Prime Farmland, Unique Farmland, or Farmland of Statewide Importance. The City of Santa Clara is almost completely urbanized and there are very few undeveloped parcels in the Planning Area. While there are locations in the City designated (A) Agricultural, there are no lands designated by the Farmland Mapping and Monitoring Program as being Prime Farmland, Unique Farmland, or Farmland of Statewide Importance. *Therefore, the proposed Housing Element Update would not convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance to non-agricultural use.*

(b) Williamson Act. The General Plan EIR did not analyze impacts related to Williamson Act contracts. The City of Santa Clara is almost completely urbanized and there are very few undeveloped parcels in the Planning Area. There are no lands within the City under a Williamson Act contract. *Therefore, the proposed Housing Element Update would not conflict with existing zoning for agricultural use, or a Williamson Act contract.*

(c) Forest Zoning. The General Plan EIR did not analyze conflicts with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code Section 12220(g)), timberland (as defined by Public Resources Code Section 4526), or timberland zoned Timberland Production (as defined by Government Code Section 51104 (g)). There are no areas of the City zoned as forest land or timberland resources. *Therefore, the proposed Housing Element Update would not conflict with existing zoning for forest land or timberland.*

(d) Loss or Conversion of Forestland. The General Plan EIR did not analyze impacts related to the loss of forest land or conversion of forest land to non-forest use. However, there are no areas of the City zoned as forest land, and the Planning Area and does not contain any forest land resources. *Therefore, the proposed Housing Element Update would not result in the loss or conversion of forest land.*

(e) Other Changes. The General Plan EIR did not analyze impacts related to the conversion of Farmland to non-agricultural use or conversion of forest land to non-forest use. The Housing Element Update does not re-zone or re-designate any parcel within the City from agricultural uses or zones to other uses. In addition, the Housing Element Update does not propose any specific development that would result in the conversion of farmland to non-agricultural use; Inventory Sites identified within the Housing Element Update are located within urban areas. There are no parts of the City designated as timberland, forest land, or farmland; as such, implementation of the Housing Element Update would not result in a conversion of these land uses to another use. Development associated with implementation of the Housing Element Update would not result in the conversion of any agricultural or forest land to non-agricultural or non-forest uses. *Therefore, the impact would be less than significant.*

Cumulative Impacts

The General Plan EIR did not analyze cumulative impacts related to the loss of agricultural or forest land. The City of Santa Clara is almost completely urbanized and is designated in Farmland Mapping and Monitoring Program as “Urban and Built-Up Land”. Implementation of the proposed Housing

Element Update would not result in the loss or conversion of agricultural or forest uses. *Therefore, the cumulative agriculture and forest resources impact from the proposed Housing Element Update would be less than significant.*

Conclusion

No new significant impacts and no substantial increase in the severity of previously identified impacts associated with the proposed Housing Element Update would occur. Likewise, there is no new information of substantial importance requiring new analysis or verification. The project does not propose substantial changes that require major revisions to the General Plan EIR, and no new mitigation measures are required.

Applicable General Plan EIR Mitigation Measures

No applicable General Plan EIR mitigation measures.

4.3 – Air Quality

Where available, the significance criteria established by the applicable air quality management district or air pollution control district may be relied upon to make the following determinations.

Would the project:

	Effect Examined in General Plan EIR?	Conclusion in General Plan EIR and Subsequent EIRs?	Proposed Changes Involving New or More Severe Impacts?	New Circumstances Involving New or More Severe Impacts?	New Information Showing New or More Severe Impacts?
a) Conflict with or obstruct implementation of the applicable air quality plan?	Yes	Significant and Unavoidable Impact	No	No	No
b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?	Yes	Significant and Unavoidable Impact	No	No	No
c) Expose sensitive receptors to substantial pollutant concentrations?	Yes	Significant and Unavoidable Impact	No	No	No
d) Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?	Yes	Less than Significant with Mitigation Incorporated	No	No	No

Proposed Project in Relation to the General Plan EIR and Subsequent Amendments

(a) Conflict with AQMP. The General Plan EIR noted that population projections under the General Plan are slightly above the *Bay Area 2005 Ozone Strategy* and the *Bay Area 2010 Clean Air Plan*. However, it was also noted that the rate of VMT growth is less than half the rate of population growth. *Therefore, the General Plan EIR determined that the 2010-2035 General Plan would be consistent with the CAP and project impacts would be less than significant.*

The General Plan EIR also noted that the Air District has a long history of implementing control measures to reduce ozone precursor emissions from stationary, area, mobile and transportation sources, and transportation control measures (TCMs) were designed to reduce emissions from motor vehicles by reducing vehicle trips and vehicle miles traveled. The General Plan EIR also noted that TCMs may also reduce vehicle use, vehicle idling or traffic congestion, and that the TCMs address State ozone planning requirements for the Bay Area. The General Plan EIR found that the policies under the 2010-2035 General Plan support and reasonably implement the applicable *Bay Area 2005 Ozone Strategy* and the *Bay Area 2010 Clean Air Plan* TCMs. *Therefore, the General Plan EIR determined that the 2010-2035 General Plan would be consistent with the TCMs and project impacts*

would be less than significant. However, the subsequent Specific Plan EIR for the Lawrence Station Area Plan found that implementation of the Specific Plan would result in a significant and unavoidable impact and there are no feasible mitigation measures that reduce the impact to less than significant.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, project impacts would be similar to and no greater than those evaluated in the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would also conflict with the applicable AQMP and have a significant and unavoidable impact.*

(b) Cumulatively Considerable Net Increase in Criteria Pollutant Emissions. The General Plan EIR noted that new development and redevelopment allowed under the 2010- 2035 General Plan could increase the concentration of air pollutants. However, the General Plan EIR found that implementation of General Plan policies and existing regulations and programs would substantially reduce air pollutants. *Therefore, the General Plan EIR determined that implementation of the General Plan would not result in a cumulatively considerable net increase in any criteria pollutant emission and impacts would be less than significant. However, subsequent EIRs for the Tasman East SP, the Patrick Henry Drive SP, and the Freedom Circle Future Focus Area (FFA) found that construction related impacts would require implementation of mitigation measures to reduce impacts to less than significant and operational impacts would be significant and unavoidable even with incorporation of mitigation. Therefore, this impact is significant and unavoidable and the following subsequent EIR mitigation measures will apply to the proposed Housing Element Update:*

- Tasman East SP EIR – See Mitigation Measures AQ-1.1, AQ-1.2, AQ-2.1, AQ-2.2, and AQ-2.3.
- Patrick Henry Drive SP EIR – See Mitigation Measures 5-2A, 5-2B, 5-2C, and 5-2D.
- Lawrence Station SP EIR – See Mitigation Measures AQ-4, AQ-5, AQ-6, and AQ-7.
- Freedom Circle FFA EIR – See Mitigation Measures 5-3A, 5-3B, 5-3C, and 5-3D.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, the proposed Housing Element would not result in a more significant impact than has been previously analyzed.*

(c) Exposure of Sensitive Receptors Substantial Pollutant Concentrations. The General Plan EIR found that new development and redevelopment allowed under the 2010- 2035 General Plan could result in construction dust emissions that could affect local and regional air quality. *However, the General Plan EIR found that implementation of General Plan policies and existing regulations and programs would substantially reduce construction dust emissions and impacts would be less than significant.* The General Plan EIR also found that implementation of the 2010-2035 General Plan may involve the placement of sensitive receptors (e.g., new residences) near localized sources of Toxic Air Contaminants (TACs). The General Plan EIR subsequently found that the 2010-2035 General Plan does not provide adequate buffers between existing sources of TAC and new residences or sensitive receptors. *As such, the General Plan EIR determined that incorporation of Mitigation Measure 4.10-1 would reduce this impacts to less than significant. The subsequent EIR for the Lawrence Station SP also found implementation of mitigation measures would reduce impacts to less than significant. However, subsequent EIRs for the Patrick Henry Drive SP and the Freedom Circle FFA found that impacts would be significant and unavoidable even with incorporation of mitigation measures.*

Therefore, subsequent EIRs have determined that this impact is significant and unavoidable and the following subsequent EIR mitigation measures will apply to the proposed Housing Element Update:

- Lawrence Station SP EIR – See Mitigation Measures AQ-1, AQ-2, and AQ-3
- Patrick Henry Drive SP EIR – See Mitigation Measures 5-3A and 5-2B.
- Freedom Circle FFA EIR – See Mitigation Measures 5-3A, 5-3B, 5-3C, and 5-3D.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, the proposed Housing Element would not result in a more significant impact than has been previously analyzed.*

(d) Other Emissions Such as Odors. The General Plan EIR noted that implementation of the 2010-2035 General Plan may involve the placement of sensitive receptors (e.g., new residences) near localized sources of odors. The General Plan EIR subsequently found that the 2010-2035 General Plan does not provide adequate buffers between sources of odors and new residences or sensitive receptors. As listed in the Mitigation Measures section below, the General Plan EIR found that the addition of Policy 5.1.1-P25 to the Prerequisite section and Policy 5.10.5-P34 to the Safety section would require minimum screening or buffer distances between emissions sources and sensitive receptors. As such, the General Plan EIR included incorporation of Mitigation Measures 4.10-2. Additional mitigation measures have been incorporated in subsequent EIRs and are included here by reference. *Therefore, the General Plan EIR determined that impacts from implementation of the General Plan would be less than significant with incorporation of mitigation measures. Subsequent EIRs also determined that this impact would be less than significant.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, project impacts would be similar to the General Plan EIR. *Therefore, implementation of the proposed Housing Element would have a less than significant effect.*

Cumulative Impacts

The General Plan EIR noted that air pollution is a regional issue affected by climate, land uses, and topography. The General Plan EIR also noted that Section 4.10, *Air Quality* includes a detailed analysis of the cumulative air quality conditions related to build-out of the 2010-2035 General Plan, as well as the General Plan's conformance with the existing Bay Area 2005 Ozone Strategy and the draft 2010 Bay Area Clear Air Plan, which have been based on regional ABAG projections. The General Plan EIR found that the 2010-2035 General Plan would conform with the current and proposed long-range air quality plans for the Bay Area. *Therefore, the General Plan EIR determined that implementation of the General Plan would result in a less than cumulatively considerable contribution to cumulative air quality impacts.*

The Planning Area is completely urbanized and cumulative impacts related to air quality were analyzed in the General Plan EIR and were determined to be less than significant. The proposed Housing Element Update would be required to implement General Plan EIR Mitigation Measures 4.10-1 and 4.10-2 as well as subsequent Specific Plan EIR mitigation measures incorporated by reference. *Therefore, the cumulative air quality impact from the proposed Housing Element Update would be less than significant.*

Conclusion

The proposed Housing Element Update would not conflict with or obstruct implementation of the applicable air quality plan and would not result in a cumulatively considerable net increase of any criteria pollutant. The RHNA allocation described in the Housing Element Update would be within the amount of residential development analyzed within the General Plan EIR and subsequent EIRs. Future housing developed in accordance with the goals and policies of the Housing Element Update would have the effect of contributing incrementally to the mobile, energy, and area sources that cumulatively contribute to criteria pollutant levels and associated air pollution in the Basin. Development of future housing would be subject to environmental review pursuant to CEQA upon application for entitlement permits. Projects found to be not exempt from CEQA would be subject to analysis and mitigation, if required. General Plan EIR Mitigation Measures 4.10-1 and 4.10-2, as described below, would also be applicable to the development associated with implementation of the Housing Element Update. No new significant impacts and no substantial increase in the severity of previously identified impacts associated with the proposed Housing Element Update would occur, nor would the significant unavoidable impacts identified in the General Plan EIR be worsened. Likewise, there is no new information of substantial importance requiring new analysis or verification. The Housing Element Update does not propose substantial changes that require major revisions to the General Plan EIR, and no new mitigation measures are required.

Applicable General Plan EIR Mitigation Measures

MM 4.10-1: Policy 5.1.1-P25 should be added to the Prerequisite section as follows:

Policy 5.1.1-P25: Prior to the implementation of Phase II,ⁱⁱ the City will include a Community Risk Reduction Plan (CRRP) for acceptable TAC concentrations consistent with the BAAQMD CEQA Guidelines, including risk and exposure reduction targets, measures to reduce emissions, monitoring procedures, and a public participation process.

Policy 5.10.5-P34 should be added to the Safety section as follows:

Policy 5.10.5-P34: Include minimum setbacks of 500 feet for roadways with average daily trips of 100,000 or more and 100 feet for railroad tracks for new residential or other uses with sensitive receptors, unless a project-specific study identifies measures such as, site design, tiered landscaping, air filtration systems, windows design to reduce exposure, demonstrating that the potential risks can be reduced to acceptable levels.

MM 4.10-2: Policy 5.10.5-P35 should be added to the Safety section as follows:

Policy 5.10.5-P35: Establish minimum buffers between odor sources and new residential or other uses with sensitive receptors, consistent with the BAAQMD guidelines, unless a project-specific study demonstrates that these risks can be

ⁱⁱ Note that Policy 5.1.1-P25 was modified as part of the 2014 General Plan Update, which was adopted with a MND. As modified, the Policy now directs the preparation of the CRRP prior to implementation of Phase III, rather than Phase II.

reduced to acceptable levels.

4.4 – Biological Resources

Would the project:

	Effect Examined in General Plan EIR?	Conclusion in General Plan EIR and Subsequent EIRs?	Proposed Changes Involving New or More Severe Impacts?	New Circumstances Involving New or More Severe Impacts?	New Information Showing New or More Severe Impacts?
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	Yes	Less than Significant with Mitigation Incorporated	No	No	No
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Game or US Fish and Wildlife Service?	Yes	Less than Significant with Mitigation Incorporated	No	No	No
c) Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	Yes	Less than Significant with Mitigation Incorporated	No	No	No
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	Yes	Less than Significant with Mitigation Incorporated	No	No	No
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or	Yes	Less than Significant with Mitigation Incorporated	No	No	No

ordinance?					
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	Yes	Less than Significant Impact	No	No	No

Proposed Project in Relation to the General Plan EIR and Subsequent Amendments

(a) Listed or Sensitive Species. The General Plan EIR found that new development under the 2010-2035 General Plan would result in minimal direct impacts due to habitat loss since there are very few vacant, undeveloped parcels left in the City proposed for urban development that provide habitat value. The General Plan EIR noted that the vast majority of new development anticipated under the 2010-2035 General Plan would occur on parcels already developed with an urban use. However, the General Plan EIR found that future development of vacant parcels containing ruderal grasslands has the potential to impact the Congdon's tarplant, should the tarplant be present at the time of development. Further, the General Plan EIR found that development of vacant parcels could result in impacts to individual burrowing owls if owls moved onto the site prior to project construction. In addition, it was noted that if owls are using active nests when construction activity commences, grading of the site could result in destruction of nests and individual owls. The General Plan EIR found that development under the 2010-2035 General Plan would be required to comply with State and federal regulations regarding special-status species. In addition, it was found that General Plan policies would reduce the potential for impacts on the special-status species considered most likely to use habitat in the City. As such, mitigation measures 4.9-1 and 4.9-2 were incorporated into the General Plan EIR to ensure avoidance of Congdon's tarplant and burrowing owl. *Therefore, the General Plan EIR determined that impacts to species identified as a candidate, sensitive, or special status species would be less than significant with incorporation of mitigation. Subsequent EIRs for the Tasman East SP, the Patrick Henry Drive SP, the Lawrence Station Area Plan, and the Freedom Circle FFA also found that impacts to special status species would be less than significant with incorporation of mitigation measures. Therefore, this impact would be less than significant with incorporation of the following subsequent EIR mitigation measures, which will apply to the proposed Housing Element Update:*

- Tasman East SP EIR – See Mitigation Measures BIO-1.1, BIO-2.1, BIO-2.2, BIO-2.3, BIO-2.4, BIO-3.1, BIO-5.1, BIO-5.3, and BIO-5.4.
- Patrick Henry Drive SP EIR – See Mitigation Measures 6-3 and 6-4.
- Lawrence Station SP EIR – See Mitigation Measures BIO-1a, BIO-1b, BIO-1c, and BIO-2.
- Freedom Circle FFA EIR – See Mitigation Measures 6-3 and 6-4.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts with mitigation incorporated.*

(b) Riparian or Sensitive Habitat. The General Plan EIR found that redevelopment of urban parcels adjacent to riparian corridors along Calabazas Creek, San Tomas Aquino Creek, and Guadalupe River

has the potential to indirectly affect the habitat value of the riparian corridor. It was further noted that the De La Cruz and Tasman East Focus Areas are each immediately west of the Guadalupe River riparian corridor, separated by an earthen levee, and future redevelopment of each Focus Area, in particular, could affect wildlife movement along the Guadalupe River. Additionally, it was noted that the east bank of the Guadalupe River adjacent to Santa Clara is under the jurisdiction of the City of San Jose and is included within the draft Valley HCP boundary, and the Valley HCP's conservation strategy to ensure urban development on the east side of the Guadalupe River doesn't further degrade the riparian corridor's habitat value is to apply the City of San Jose's Riparian Corridor Policy. In addition, the General Plan EIR found that the 2010-2035 General Plan includes updated biological policies that address impacts to riparian habitats. As described in the General Plan EIR, the City of Santa Clara has adopted the Water Collaborative's Guidelines and Standards for Land Uses Near Streams, and the two riparian protection policies (5.10.1-P2 and 5.10.1-P5) are functionally equivalent and will ensure that new and redevelopment on either bank of the Guadalupe River doesn't significantly impact wildlife movement along the Guadalupe River. Finally, it was found that there are no other sensitive natural communities present in the City. *Therefore, the General Plan EIR determined that impacts to riparian habitat or other sensitive natural communities would be less than significant. However, subsequent EIRs for the Tasman East SP, the Patrick Henry Drive SP, and the Freedom Circle FFA found that mitigation is required to reduce potential impacts to sensitive habitat to less than significant. Therefore, this impact would be less than significant with incorporation of the following subsequent EIR mitigation measures, which will apply to the proposed Housing Element Update:*

- Tasman East SP EIR – See Mitigation Measure BIO-4.1.
- Patrick Henry Drive SP EIR – See Mitigation Measure 6-2.
- Freedom Circle FFA EIR – See Mitigation Measure 6-2.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts with mitigation incorporated.*

(c) Riparian/Wetlands. The General Plan EIR noted that wetlands and other waters are protected under the federal Clean Water Act and the State's Porter-Cologne Water Quality Control Act, and are under the jurisdiction of the U.S. Army Corps of Engineers and the San Francisco Bay Regional Water Quality Control Board. It was further noted that Federal and State regulations require avoidance of impacts to the extent feasible, and compensation for unavoidable losses of jurisdictional wetlands and waters. The General Plan EIR found that development along the City's watercourses would have some potential to affect jurisdictional waters and wetlands. *The General Plan EIR determined that compliance with existing regulations and proposed General Plan policies would ensure impacts on state or federally protected wetlands would be less than significant. However, subsequent EIRs for the Tasman East SP found that mitigation is required to reduce potential impacts to wetlands to less than significant. Therefore, this impact would be less than significant with incorporation of the following subsequent EIR mitigation measures, which will apply to the proposed Housing Element Update:*

- Tasman East SP EIR – See Mitigation Measure BIO-6.1, BIO-6.2, BIO-7.1, BIO-8.1, BIO-8.2, BIO-9.1, BIO-9.2, and BIO-9.3.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including

subsequent EIRs related to specific plans or area plans, the impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts with mitigation incorporated.*

(d) Wildlife Movement. The General Plan EIR noted that the creeks that flow through the City provide the primary wildlife movement corridors, and therefore future development near the creeks has the potential to disrupt or disturb wildlife movements along the creek corridors. However, the General Plan EIR found that the City's implementation of the Water Collaborative's Guidelines and Standards for Land Uses Near Streams would minimize the potential for impacts to wildlife movement. *Therefore, the General Plan EIR determined impacts to the movement of any native resident or migratory fish or wildlife species would be less than significant. The subsequent EIR for the Tasman East SP also found that mitigation is required to reduce potential impacts to wildlife movement to less than significant. Therefore, this impact would be less than significant with incorporation of the following subsequent EIR mitigation measures, which will apply to the proposed Housing Element Update:*

- Tasman East SP EIR – See Mitigation Measure BIO-3.1.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts with mitigation incorporated.*

(e) Local Policies. The General Plan EIR noted that there is a City ordinance currently in effect to protect trees on public property, and the General Plan proposes a new policy that would afford protection to specified trees on private property. *Therefore, the General Plan EIR determined that Development under the 2010-2035 General Plan would not conflict with the existing tree ordinance and impacts would be less than significant. However, the subsequent EIRs for the Tasman East SP and the Lawrence Station SP found that mitigation is required to reduce potential impacts from tree removal to less than significant. Therefore, this impact would be less than significant with incorporation of the following subsequent EIR mitigation measures, which will apply to the proposed Housing Element Update:*

- Tasman East SP EIR – See Mitigation Measures BIO-10.1 and BIO-10.2.
- Lawrence Station SP EIR – See Mitigation Measures BIO-3a and BIO-3b.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts with mitigation incorporated.*

(f) Habitat Conservation Plans. The General Plan EIR found that the City is not located within the study area, but rather adjacent to, the Valley Habitat Conservation Plan (HCP). It was also found that future nitrogen emissions attributable to the General Plan's net new development in 2035 would constitute approximately 1.5 percent of total emissions and would represent a less than cumulatively considerable contribution to nitrogen deposition impacts to the serpentine grassland special status flora and fauna being addressed in the Valley HCP. *Therefore, the General Plan EIR and subsequent EIRs*

determined that conflicts with the provisions of an adopted Habitat Conservation Plan would be less than significant.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts and no mitigation is required.*

Cumulative Impacts

The General Plan EIR noted that there is minimal vacant, undeveloped land within Santa Clara that provides suitable habitat for rare, threatened, or endangered flora or fauna, and that most suitable habitat in the City is concentrated along the several creek corridors. It was also noted that the predominant biologic impacts associated with implementation of the 2035 General Plan would occur to common, urban-adapted species. In the rare instances where future development would involve a site with a special status species, appropriate mitigation, including avoidance, would be implemented to reduce the impacts to a less than significant level. Therefore, the General Plan EIR determined that new construction and redevelopment within the City of Santa Clara would not contribute to cumulative impacts to special status plants and animals present within the City. As further discussed in Section 4.9 *Biology* of the General Plan EIR, regional nitrogen deposition impacts to serpentine habitat in southern San Jose is a cumulative issue being addressed by the Local Partner agencies participating in the Valley HCP. However, for the reasons provided in Section 4.9, Santa Clara's NOx contribution from new development allowed under the 2035 General Plan was determined to be less than cumulatively considerable. Finally, it was also determined that Nitrogen Oxides (NOx) emissions associated with the City's electrical utility, Silicon Valley Power, would be mitigated on an ongoing basis through management of serpentine habitat on Coyote Ridge in San Jose. *Therefore, the General Plan EIR determined that cumulative biological impacts would be less than significant.*

The Planning Area is an almost completely urbanized area and most of the Planning Area is designated in the City's General Plan and Zoning Code for urban development. Cumulative impacts related to the Housing Element Update in conjunction with other similar projects in the area were analyzed in the Environmental Impact Report prepared for the City of Santa Clara 2010-2035 General Plan and subsequent EIRs and were determined to be less than significant with mitigation incorporated. *Therefore, the cumulative biological resources impact from the proposed Housing Element Update would be less than significant.*

Conclusion

The proposed Housing Element Update would not have a substantial adverse effect on any sensitive species or habitat, on any wetlands, with the movement of any native resident or migratory fish or wildlife species, and will not conflict with local policies or ordinances protecting biological resources or with a habitat conservation plan. The RHNA allocation described in the Housing Element Update would be within the amount of residential development analyzed within the General Plan EIR and subsequent EIRs. Future housing developed in accordance with the goals and policies of the Housing Element Update would have the effect of contributing incrementally to biological resources impacts. Development of future housing would be subject to environmental review pursuant to CEQA upon application for entitlement permits. Projects found to be not exempt from CEQA would be subject to analysis and mitigation, if required. General Plan EIR Mitigation Measures 4.9-1 and 4.9-2, as described below, would also be applicable to the development associated with implementation of the Housing

Element Update. No new significant impacts and no substantial increase in the severity of previously identified impacts associated with the proposed Housing Element Update would occur. Likewise, there is no new information of substantial importance requiring new analysis or verification. The Housing Element Update does not propose substantial changes that require major revisions to the General Plan EIR, and no new mitigation measures are required. As such, no subsequent environmental analysis and no new mitigation are required.

Applicable General Plan EIR Mitigation Measures

MM 4.9-1: Congdon's Tarplant Program Mitigation: On parcels with ruderal grasslands, surveys will be conducted prior to future development to document the presence/absence of Congdon's tarplant. In the event the species is present, the project design will incorporate an adequate buffer, as determined by a qualified biologist, to ensure the Congdon's tarplant is not threatened by development.

MM 4.9-2: Burrowing Owl Program Mitigation: Future development on parcels with ruderal grasslands will include the following standard measures to reduce potential WBO impacts to a less than significant level:

1. Determine Burrowing Owl Presence

a. Breeding Season Surveys

Standardized surveys are necessary to determine presence (or presumed absence) of burrowing owls for the purposes of inventory, monitoring, avoidance of take, and determining appropriate mitigation. In California the breeding season begins as early as February 1 and continues through August 31. The California Burrowing Owl Consortium (Consortium) survey protocol specifies a multi-phase approach, which is recommended in order to adequately evaluate burrowing owl use of an area and to inform the CEQA process. The Department recommends that the Consortium survey protocol for breeding season surveys be adhered to (4 survey visits spread evenly (roughly every 3 weeks) during the peak of the breeding season, from April 15-July 15) The habitat assessment, intensive burrow surveys and burrowing owl surveys should include the area within 150 meters of the project boundaries (approximately 500 feet).

b. Non-Breeding Season Surveys (Including Winter)

Surveys during the non-breeding season (September 1- January 31) are recommended by the Department but are not generally required because burrowing owls are much more difficult to detect during the non-breeding season, and the number or type of surveys that would be needed to detect presence then has not been studied or quantified. Negative results during any nonbreeding season surveys are not conclusive proof that owls do not use the site. Because of this complication, the DFG recommends breeding season surveys as the first step, but project applicants should consult with the Department if burrowing owls have been documented on the project site during the non-breeding season.

2. Avoid Impacts (destruction, disturbance) to Individual Owls

a. Pre-Construction Surveys for Owl Presence

Pre-construction surveys (usually initiated during the non-breeding season) are necessary for assessing owl presence at a site within a short time period before site modification is scheduled to begin. Pre-construction surveys are supplemental to the existing breeding season survey protocol (4 survey visits spread evenly during the peak of the breeding season, from April 15- July 15). Initial pre-construction surveys should be conducted no more than 30 days prior to ground-disturbing activities (for example, disking, clearing, grubbing, grading). Generally, at a minimum, 4 survey visits on at least 4 separate days will be necessary. The time lapse between surveys and site disturbance should be as short as possible and will be determined by DFG based on specific project conditions but generally should not exceed 7 days. Additional surveys are necessary when the initial disturbance is followed by periods of inactivity or the development is phased spatially and/or temporally over the project area. Biologists conducting pre-construction surveys should expend enough effort, based on the above criteria, to assure with a high degree of certainty that take of owls will not occur once site modification and grading activities begin. The report should be submitted to the DFG for review.

b. Buffer Zones Around Occupied Burrows (Year-Round)

Buffer zones to protect burrowing owls from direct disturbance should be implemented pursuant to the Consortium Guidelines and the Department's Staff Report (1995). Generally, the buffers recommended in these reports for protecting burrowing owls from disturbance is 75 meters (250 feet) from occupied burrows during the breeding season and 50 meters (160 feet) from occupied burrows during the non-breeding season. Consultation with the Department may result in site-specific buffer specifications, on a case-by-case basis.

c. Passive Relocation

If construction will directly impact occupied burrows, eviction of owls should occur outside the nesting season to prevent injury or mortality of individual owls. No burrowing owls will be evicted from burrows during the nesting season (1 February through 31 August) unless evidence indicates that nesting is not actively occurring (e.g., because the owls have not yet begun nesting early in the season, or because young have already fledged late in the season). Relocation of owls during the non-breeding season will be performed by a qualified biologist using one-way doors, which should be installed in all burrows within the impact area and left in place for at least two nights. These one-way doors will then be removed and the burrows backfilled immediately prior to the initiation of grading. Furthermore, should the Valley HCP, once adopted, include a regional WBO mitigation program that would be available to future projects in Santa Clara, future projects may have a feasible option to mitigate for their individual impacts to loss of WBO foraging and/or nesting habitat by participating in the Valley HCP's program.

4.5 – Cultural Resources

Would the project:

	Effect Examined in General Plan EIR?	Conclusion in General Plan EIR and Subsequent EIRs?	Proposed Changes Involving New or More Severe Impacts?	New Circumstances Involving New or More Severe Impacts?	New Information Showing New or More Severe Impacts?
a) Cause a substantial adverse change in the significance of a historical resource pursuant to Section 15064.5?	Yes	Less than Significant with Mitigation Incorporated	No	No	No
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to Section 15064.5?	Yes	Less than Significant with Mitigation Incorporated	No	No	No
c) Disturb any human remains, including those interred outside of dedicated cemeteries?	Yes	Less than Significant with Mitigation Incorporated	No	No	No

Proposed Project in Relation to the General Plan EIR and Subsequent Amendments

(a) Historical Resources. The General Plan EIR noted that future development under the 2010-2035 General Plan has the potential to impact, either directly or indirectly, historic resources, both those that are currently listed, and those that have yet to be identified and evaluated. It was also noted that the General Plan's Phase III prerequisite policy to conduct a citywide survey prior to Phase III (2025)ⁱⁱⁱ would encompass buildings constructed prior to 1975 (i.e., buildings constructed prior to 1975 would be at least 50 years of age in 2025), and would identify whether additional buildings have achieved historic significance over time. Further it was noted that buildings over 50 years of age would be evaluated prior to demolition or substantial alteration on a case-by-case basis. The General Plan EIR found that implementation of General Plan policies and programs, including application of the California Historic Building Code and the City's Combining Historic Districts, the City's design review process, and referral of projects involving historic resources to the Historical and Landmarks Commission, would serve to minimize historic resources impacts. *Therefore, the General Plan EIR determined that implementation of proposed policies and existing programs would reduce potential historical resources impacts to less than significant. However, the subsequent EIRs for the Patrick Henry Drive SP, the Lawrence Station SP, and the Freedom Circle FFA found that mitigation is required to reduce potential impacts to historical resources to less than significant. Therefore, this impact would be less than significant with incorporation of the following subsequent EIR mitigation measures, which will apply to the proposed Housing Element Update:*

ⁱⁱⁱ In the 2014 General Plan Update, the Phases of the General Plan were shifted to line up with the housing element update schedule. Phase III is now slated to commence in 2023.

- Patrick Henry Drive SP EIR – See Mitigation Measure 7-1.
- Lawrence Station SP EIR – See Mitigation Measure CUL-1.
- Freedom Circle FFA EIR – See Mitigation Measure 7-1.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the historic resources impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts with mitigation incorporated.*

(b) Archaeological Resources. The General Plan EIR found that future development and redevelopment and construction activities under the 2010-2035 General Plan may result in direct or indirect impacts to both prehistoric and historic archaeological resources. It was also noted that construction activities such as grading and excavation may result in the accidental destruction or disturbance of archaeological sites. Further, it was found that all areas of the City hold potential for the presence of prehistoric archaeological resources, with the exception of current and former stream channels and areas with artificial fill. However, the General Plan EIR found that 2010-2035 General Plan includes a range of policies to ensure the protection of archaeological resources. The General Plan EIR found that existing federal, State, and local regulations address the provision of studies to identify archaeological and paleontological resources; application review for projects that would potentially involve land disturbance; provide a project-level standard condition of approval that addresses unanticipated archaeological and or paleontological discoveries; and requirements to develop specific mitigation measures if resources are encountered during any development activity. *Therefore, the General Plan EIR determined implementation of General Plan policies and existing programs would reduce the impact to archaeological resources to less than significant. However, the subsequent EIRs for the Tasman East SP, the Patrick Henry Drive SP, the Lawrence Station SP, and the Freedom Circle FFA found that mitigation is required to reduce potential impacts to archaeological resources to less than significant. Therefore, this impact would be less than significant with incorporation of the following subsequent EIR mitigation measures, which will apply to the proposed Housing Element Update:*

- Tasman East SP EIR – See Mitigation Measures CUL-1.1, CUL-1.2, and CUL-1.3
- Patrick Henry Drive SP EIR – See Mitigation Measure 7-2.
- Lawrence Station SP EIR – See Mitigation Measure CUL-2 and CUL-3.
- Freedom Circle FFA EIR – See Mitigation Measure 7-3.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the archaeological resources impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts with mitigation incorporated.*

(c) Human Remains. The General Plan EIR noted that implementation of the 2010-2035 General Plan would allow development and redevelopment, including grading, of sensitive areas, possibly disturbing human remains, including those outside of formal cemeteries. However, it was found that existing regulations, including the California Public Resources Code, Section 5097.98, would afford protection for human remains discovered during development activities. In addition, review and protection are afforded by CEQA for those projects subject to discretionary action, particularly for activities that could

potentially disturb human remains. Further, it was noted that SB 18 requires consultation regarding Native American sites and artifacts, but the potential for project-level impacts to unidentified and unrecorded tribal cultural places remains moderate to high. As such, it was found that future excavation and grading activities could result in impacts to human remains. However, it was determined that Public Resources Code Section 5097.98 mandates the process to be followed in the event of a discovery of any human remains, and would mitigate all potential impacts. *Therefore, the General Plan EIR determined that implementation existing programs would reduce the impact to human remains to less than significant. However, the subsequent EIRs for the Tasman East SP, the Patrick Henry Drive SP, the Lawrence Station SP, and the Freedom Circle FFA found that mitigation is required to reduce potential impacts to buried human remains to less than significant. Therefore, this impact would be less than significant with incorporation of the following subsequent EIR mitigation measures, which will apply to the proposed Housing Element Update:*

- Tasman East SP EIR – See Mitigation Measures CUL-1.1, CUL-1.2, and CUL-1.3.
- Patrick Henry Drive SP EIR – See Mitigation Measure 7-2.
- Lawrence Station SP EIR – See Mitigation Measure CUL-5.
- Freedom Circle FFA EIR – See Mitigation Measure 7-3.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the buried human remains impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts with already identified mitigation incorporated.*

Cumulative Impacts

The General Plan EIR found that projects in the City and other cumulative projects in the area would implement mitigation that avoids or substantially lessens potentially significant impacts to cultural resources, as required by State law. These mitigation strategies would typically involve pre-construction identification surveys; significance evaluations; consultation with tribal descendant communities; culturally and legally appropriate treatment of human remains; archaeological construction monitoring; resource documentation; and data recovery for unavoidable impacts. These mitigation strategies would generally avoid or substantially lessen the severity of impacts to cultural resources. *Therefore, the General Plan EIR determined that the City's contribution to cumulative effects associated with cultural resources is less than cumulatively considerable and impacts would be less than significant.*

The Planning Area is an almost completely urbanized area and most of the Planning Area is designated in the City's General Plan and Zoning Code for urban development. Cumulative impacts related to the Housing Element Update in conjunction with other similar projects in the area were analyzed in the Environmental Impact Report prepared for the City of Santa Clara 2010-2035 General Plan and subsequent EIRs and were determined to be less than significant with incorporation of mitigation measures. *Therefore, the cumulative cultural resources impact from the proposed Housing Element Update would be less than significant.*

Conclusion

The proposed Housing Element Update would not have a substantial adverse effect on any historical resources, archaeological resources, or buried human remains. The RHNA allocation described in the Housing Element Update would be within the amount of residential development analyzed within the

General Plan EIR and subsequent Specific Plan SP EIRs. Future housing developed in accordance with the goals and policies of the Housing Element Update would have the effect of contributing incrementally to cultural resources impacts; however, development of future housing would be subject to environmental review pursuant to CEQA upon application for entitlement permits. Projects found to be not exempt from CEQA would be subject to analysis and mitigation, if required. The mitigation measures of the subsequent EIRs, as referenced above, would also be applicable to development associated with implementation of the Housing Element Update. No new significant impacts and no substantial increase in the severity of previously identified impacts associated with the proposed Housing Element Update would occur. Likewise, there is no new information of substantial importance requiring new analysis or verification. The Housing Element Update does not propose substantial changes that require major revisions to the General Plan EIR, and no new mitigation measures are required. As such, no subsequent environmental analysis and no new mitigation measures are required.

Applicable General Plan EIR Mitigation Measures

No applicable General Plan EIR mitigation measures.

4.6 – Energy

Would the project:

	Effect Examined in General Plan EIR?	Conclusion in General Plan EIR and Subsequent EIRs?	Proposed Changes Involving New or More Severe Impacts?	New Circumstances Involving New or More Severe Impacts?	New Information Showing New or More Severe Impacts?
a) Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?	Yes	Less than Significant Impact	No	No	No
b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency??	Yes	Less than Significant Impact	No	No	No

Proposed Project in Relation to the General Plan EIR and Subsequent Amendments

(a-b) Energy Consumption. The General Plan EIR found that while the substantial new residential, commercial, and industrial development allowed under the 2010-2035 General Plan would result in increased overall consumption of energy compared to existing levels, the new development would not consume energy in a manner that is wasteful, inefficient, or unnecessary. Policies in the General Plan will serve to reduce growth in energy consumption to the extent feasible. It was also found that new construction would be required to meet Title 24 building energy efficiency standards, including the new CALGreen requirements. In addition, the General Plan EIR noted that the Climate Action Plan (discussed in Section 4.16 *Climate Change* of the General Plan EIR) would focus on efforts to increase energy conservation and efficiency as a means of reducing greenhouse gas emissions. *Therefore, the General Plan EIR determined that the 2010-2035 General Plan would result in less than significant impacts. Similarly, the subsequent EIRs for the Tasman East SP, the Patrick Henry Drive SP, the Lawrence Station SP, and the Freedom Circle FFA also found that impacts would be less than significant.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the energy impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts.*

Cumulative Impacts

The General Plan EIR noted that the geographic area for cumulative energy impacts is the State of California, which includes the areas serviced by electrical and natural gas utility providers. The General Plan EIR also noted that Section 4.16 *Climate Change* of the General Plan EIR provides Plan-level analysis that places the 2010-2035 General Plan's growth within the cumulative context for California's

2020 and 2050 climate change goals. As discussed in the Climate Change section of the General Plan EIR, the City was committed to the preparation and implementation of a Climate Action Plan to ensure the proposed General Plan would be consistent with the state's 2020 emissions targets, and would contribute a less than cumulatively considerable amount toward future GHG levels. Achieving 2020 emissions levels would necessarily entail increased energy conservation and efficiency, and utilization of renewable sources. In addition to Santa Clara, it was noted that the cities of San Jose and Sunnyvale were (at the time) each developing Climate Action Plans to address their respective 2020 emissions. In addition, all other projects constructed within Santa Clara, including projects under subsequent Specific Plans, are required to comply with the policies of the General Plan, plus existing local, state and federal regulations to prevent the inefficient use of energy. Finally, it was found that future development within the electrical and natural gas utility providers' service area would also be required to adhere to applicable local regulations, including the provisions of Title 24, designed to prevent use of energy. *Therefore, the General Plan EIR determined that cumulative impacts to energy from development under the General Plan would be less than significant with compliance to relevant legislative regulations and General Plan policies.*

Subsequent program EIRs, including Lawrence Station Area Plan EIR, the Tasman East Specific Plan EIR, the Patrick Henry Drive Specific Plan EIR, and the Freedom Circle Focus Area EIR all indicate that the implementation of the respective plans would be expected to result in replacement of older, less energy-efficient structures with newer structures built to the latest building code standards, which would increase the efficiency of electricity consumed within the City. The proposed higher density land uses would result in more efficient energy use compared to energy use for lower density land uses (e.g., "sprawl") due to more residents being close to transit, which would reduce the amount of transportation energy spent on commuting. The proposed increase in residential development overall would be expected to result in a reduction in outcommuting and a decrease in the associated expenditure of transportation energy. Therefore, by ensuring the buildings are energy efficient, placing the buildings in a low VMT area, and providing space for a mix of uses and amenities that promote non-automobile transportation options, the project would use resources in a non-wasteful and efficient manner. In addition, implementation of the City's 2022 Climate Action Plan would reduce natural gas consumption and increase electricity demand by incentivizing conversion of existing buildings to all electric energy use. Proposed actions relating to improving energy efficiency action would reduce the amount of energy used by new and existing development throughout the City by retrofitting existing municipal facilities, and incentivizing home energy upgrades. *Therefore, the conclusions of the General Plan EIR regarding energy usage, as amended by subsequent program EIRs and the Climate Action Plan addendum remain less than significant.*

The Planning Area is an almost completely urbanized area and cumulative impacts related to climate change and energy were analyzed in the General Plan EIR and subsequent EIRs and were determined to be less than significant. The City of Santa Clara has an adopted Climate Action Plan which ensures individual projects incorporate measures to reduce their energy use to less than significant levels. The state appears to have adequate supplies of energy and is implementing state policies intended to reduce energy use and greenhouse gas emissions. Thus, there is no cumulative impact related to wasteful use of energy or adequate supply of energy. *Therefore, the proposed Housing Element Update would not contribute towards any significant cumulative energy impact and the impact would be less than significant.*

Conclusion

The proposed Housing Element Update would not result in the wasteful, inefficient, or unnecessary consumption of energy resources and would not conflict with or obstruct a state or local plan for renewable energy or energy efficiency. The RHNA allocation described in the Housing Element Update

would be within the amount of residential development analyzed within the General Plan EIR and subsequent EIRs. Future housing developed in accordance with the goals and policies of the Housing Element Update would have the effect of contributing incrementally to energy resources impacts. Development of future housing would be subject to environmental review pursuant to CEQA upon application for entitlement permits. Projects found to be not exempt from CEQA would be subject to analysis and mitigation, if required. No new significant impacts and no substantial increase in the severity of previously identified impacts associated with the proposed Housing Element Update would occur. Likewise, there is no new information of substantial importance requiring new analysis or verification. The Housing Element Update does not propose substantial changes that require major revisions to the General Plan EIR, and no new mitigation measures are required. As such, no subsequent environmental analysis and no new mitigation are required.

Applicable General Plan EIR Mitigation Measures

No applicable General Plan EIR mitigation measures.

4.7 – Geology and Soils

Would the project:

	Effect Examined in General Plan EIR?	Conclusion in General Plan EIR and Subsequent EIRs?	Proposed Changes Involving New or More Severe Impacts?	New Circumstances Involving New or More Severe Impacts?	New Information Showing New or More Severe Impacts?
a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:					
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	Yes	Less than Significant Impact	No	No	No
ii) Strong seismic ground shaking?	Yes	Less than Significant Impact	No	No	No
iii) Seismic-related ground failure, including liquefaction?	Yes	Less than Significant Impact	No	No	No
iv) Landslides?	Yes	Less than Significant Impact	No	No	No
b) Result in substantial soil erosion or the loss of topsoil?	Yes	Less than Significant Impact	No	No	No
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	Yes	Less than Significant Impact	No	No	No

d) Be located on expansive soil, as defined in Section 1803.5.3 of the California Building Code (2022), creating substantial direct or indirect risks to life or property?	Yes	Less than Significant Impact	No	No	No
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?	No	Not Examined	No	No	No
f) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	Yes	Less than Significant with Mitigation Incorporated	No	No	No

Proposed Project in Relation to the General Plan EIR and Subsequent Amendments

(a.i) Fault Rupture. The General Plan EIR noted that the City does not contain any faults mapped as Alquist-Priolo Earthquake Fault zones. There are also no other faults that extend through the City. Because there are no known active earthquake faults within the limits of the City of Santa Clara, the risk for surface fault rupture is considered low within the City. *Therefore, the General Plan EIR determined that this impact would be less than significant.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the potential fault-related impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts.*

(a.ii) Strong Seismic Ground Shaking. The General Plan EIR noted that because the city is in relatively close proximity to several major fault zones, the California Building Code, as adopted by the City of Santa Clara, requires that seismic design features be incorporated in construction and redevelopment projects in Santa Clara. The primary purpose of the seismic design requirements of the building code is to avoid loss of life. *Therefore, the General Plan EIR determined that this impact would be less than significant with adherence to existing regulations.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, strong seismic ground shaking impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts with adherence to existing regulations.*

(a.iii) Seismic-Related Ground Failure/Liquefaction. The General Plan EIR noted that under the County of Santa Clara Hazard Mapping, most of Santa Clara is considered susceptible to liquefaction

hazards (refer to Figure 4.5-3), and development and redevelopment allowed under the 2010-2035 General Plan would occur within these areas. In addition, it was noted that there are areas near creeks, such as along the Guadalupe River, where lateral spreading could occur. As such, it was found that future projects approved under the 2010-2035 General Plan within the liquefaction hazard area would be required under the Seismic Hazard Mapping Program and building code and City Code requirements to evaluate site-specific liquefaction and ground failure hazards and mitigate those hazards to an acceptable level. *Therefore, the General Plan EIR determined that this impact would be less than significant with adherence to existing regulations.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the potential seismic-related ground failure impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts with adherence to existing regulations.*

(a.iv) Landslides/Seismically-Induced Waves. The General Plan EIR noted that because the City is located on gently sloping and nearly flat valley floor topography, it is not subject to risk of landslides; and the landslide hazard mapping compiled by the County of Santa Clara shows the City is outside the landslide hazard zone. Therefore, it was determined that there are no areas within the City susceptible to landslides. The General Plan EIR also noted that because the City is not located within a tsunami inundation area, development and redevelopment anticipated under the General Plan would not be exposed to substantial risks associated with tsunamis. Locally, the General Plan EIR found that seiches due to seismic shaking could occur in shallow lakes, reservoirs, or percolation ponds in Santa Clara and the surrounding area, and sloshing of water out of a lake or basin onto the surrounding area could result in water damage, erosion and some slope failure. However, it was found that there are no lakes or reservoirs within the City, but several ponds, including the City's two retention basins, (located near State Route 237 and the Union Pacific Railroad Line, and the Great America Parkway and San Tomas Aquino Creek). It was also found that Lexington Reservoir is located approximately nine miles from the City. However, the potential for loss of life from this hazard is low. *Therefore, the General Plan EIR determined that this impact would be less than significant.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the potential landslide and seismically-induced wave impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts with adherence to existing regulations.*

(b) Soil Erosion. The General Plan EIR noted that grading and ground disturbance increases the potential for accelerated erosion by removing protective vegetation or cover and changing natural drainage patterns. However, it was also noted that for future development over one acre in size, erosion hazards would be minimized through implementation of site-specific erosion measures in SWPPPs under the NPDES General Construction Permit and grading and excavation requirements in the City's City Code. Given that many future development projects would be on properties less than one acre, it was further noted that requirements for BMPs under the City's NPDES Municipal Permit, urban runoff policies, and the City Code would be the primary means of enforcing erosion control measures through the grading and building permit process. *Therefore, with the regulatory programs currently in place, the General Plan EIR determined that possible impacts of accelerated erosion during construction associated with development and redevelopment would be less than significant.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the potential erosion impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts with adherence to existing regulations.*

(c) Unstable Geologic Unit. The General Plan EIR found that development under the 2010-2035 General Plan would be required to incorporate the seismic design features of the California Building Code in construction and redevelopment projects in Santa Clara. *Therefore, the General Plan EIR determined that the impact would be less than significant. However, the subsequent EIRs for the Patrick Henry Drive SP and the Freedom Circle FFA found that mitigation is required to reduce potential impacts to less than significant. Therefore, this impact would be less than significant with incorporation of the following subsequent EIR mitigation measures, which will apply to the proposed Housing Element Update:*

- Patrick Henry Drive SP EIR – See Mitigation Measure 8-3.
- Freedom Circle FFA EIR – See Mitigation Measure 8-6.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the ground instability impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts with mitigation incorporated.*

(d) Expansive Soils. The General Plan EIR noted that soil and geologic hazards of concern in the City of Santa Clara are primarily related to expansive soils, weak soils, and artificial fill and the City primarily consists of well-drained loamy soils formed on alluvial sediments. It was also noted that soils include loam and clay loam at the surface and in the very shallow subsurface, overlying gravelly sandy clay loam and fine sandy clay loam present at depth and such units are typically moderate to very highly expansive. It was further noted that in general, alluvial fan sediments become increasingly finer grained with greater distance from the mountains and because of this expansion potential is generally moderate in the southern City's alluvial fan and plain soils and high in the alluvial plain/valley floor soils of the northern City. The General Plan EIR also found that where expansive soils are present, foundations and pavements can be damaged when solids go through cycles of wetting and drying. Weak compressible soils are located at the City's northernmost edge and weak soils can compress, collapse, or spread laterally under the weight of buildings and fill. It was also noted that artificial fill has been placed under buildings throughout the City, and non-engineered fill can result in excessive settlement of structures, pavement, and utilities. It was found that because the City is located on gently sloping and nearly flat valley floor topography, it is not subject to risk of landslides; landslide hazard mapping compiled by the County of Santa Clara shows the City is outside the landslide hazard zone. Therefore, the General Plan EIR determined that there are no areas within the City susceptible to landslides. The General Plan EIR found that new development under the 2010-2035 General Plan would occur primarily as intensification of previously developed areas throughout the City and hazards associated with expansive soils, weak soils, and artificial fill would be reduced and managed consistent with City adopted regulations and policies, in combination with State building regulations. In addition, it was noted that the 2010-2035 General Plan includes updated hazards policies that address geologic and seismic hazards and provide program-level mitigation for geologic, soil and landslide hazards within the City. While the General Plan EIR determined that new development and redevelopment allowed under the 2010- 2035 General Plan could occur in areas with identified soil hazards, implementation of General

Plan policies and existing regulations and programs would substantially reduce hazards to people and property. *Therefore, the General Plan EIR determined this impact would be less than significant.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the potential soil expansion impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts with adherence to existing regulations.*

(e) Septic Systems. The General Plan EIR did not analyze impacts related to septic systems. The proposed Housing Element Update does not include provisions permitting use of septic systems and future development resulting from implementation of the Housing Element Update would be required to connect to the existing municipal wastewater conveyance and treatment system provided by the City of Santa Clara. *Therefore, impacts related to the ability of soils to adequately support the use of septic systems would not occur as a result of the proposed project.*

(f) Paleontological Resources. The General Plan EIR found that new development and redevelopment under the 2010-2035 General Plan has the potential to directly or indirectly destroy a unique paleontological resource or unique geologic feature. However, the General Plan EIR found that implementation of General Plan policies and existing programs would minimize this effect. *Therefore, the General Plan EIR determined that impacts would be less than significant. However, the subsequent EIRs for the Tasman East SP, the Patrick Henry Drive SP, the Lawrence Station Area Plan, and the Freedom Circle FFA found that mitigation is required to reduce potential impacts to paleontological resources to less than significant. Therefore, this impact would be less than significant with incorporation of the following subsequent EIR mitigation measures, which will apply to the proposed Housing Element Update:*

- Tasman East SP EIR – See Mitigation Measure CUL-2.1.
- Patrick Henry Drive SP EIR – See Mitigation Measure 8-4.
- Lawrence Station SP EIR – See Mitigation Measure CUL-4.
- Freedom Circle FFA EIR – See Mitigation Measures 8-7 and 8-8

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the paleontological resources impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts with mitigation incorporated.*

Cumulative Impacts

The General Plan EIR found that geologic conditions are highly localized and implementation of the 2010-2035 General Plan would generally not result in cumulative geologic impacts, unless growth under the Plan would exacerbate a regional cumulative geologic issue (e.g., fault zone, massive landslide) affecting an extensive area covering multiple jurisdictions. There are no such regional geologic features in Santa Clara. *Therefore, the General Plan EIR determined that the City's contribution to regional cumulative impacts related to geology and soils, would be less than significant.*

The Planning Area is an almost completely urbanized area and most of the Planning Area is designated in the City's General Plan and Zoning Code for urban development. Cumulative geology and soils impacts related to the Housing Element Update in conjunction with other similar projects in the area were analyzed in the Environmental Impact Report prepared for the City of Santa Clara 2010-2035 General Plan and subsequent EIRs and were determined to be less than significant with incorporation of mitigation measures. *Therefore, the cumulative geology and soils impact from the proposed Housing Element Update would be less than significant.*

Conclusion

The proposed Housing Element Update would not have a substantial adverse effect related to fault rupture, strong seismic ground shaking, seismic-related ground-failure and liquefaction, landslides and seismically-induced waves, soil erosion, expansive soils, and septic systems and would require mitigation measures to reduce potential impacts to paleontological resources to less than significant. The RHNA allocation described in the Housing Element Update would be within the amount of residential development analyzed within the General Plan EIR and subsequent Specific Plan SP EIRs. Future housing developed in accordance with the goals and policies of the Housing Element Update would have the effect of contributing incrementally to geology and soils impacts; however, development of future housing would be subject to environmental review pursuant to CEQA upon application for entitlement permits. Projects found to be not exempt from CEQA would be subject to analysis and mitigation, if required. The paleontological resources mitigation measures of the subsequent EIRs, as referenced above, would also be applicable to development associated with implementation of the Housing Element Update. No new significant impacts and no substantial increase in the severity of previously identified impacts associated with the proposed Housing Element Update would occur. Likewise, there is no new information of substantial importance requiring new analysis or verification. The Housing Element Update does not propose substantial changes that require major revisions to the General Plan EIR, and no new mitigation measures are required. As such, no subsequent environmental analysis and no new mitigation are required.

Applicable General Plan EIR Mitigation Measures

No applicable General Plan EIR mitigation measures.

4.8 – Greenhouse Gas Emissions

Would the project:

	Effect Examined in General Plan EIR?	Conclusion in General Plan EIR and Subsequent EIRs?	Proposed Changes Involving New or More Severe Impacts?	New Circumstances Involving New or More Severe Impacts?	New Information Showing New or More Severe Impacts?
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	Yes	Significant and Unavoidable	No	No	No
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	Yes	Significant and Unavoidable	No	No	No

Proposed Project in Relation to the General Plan EIR and Subsequent Amendments

a) Greenhouse Gas Emissions. The General Plan EIR determined that the City's projected 2020 GHG emissions, without further reduction via a Climate Action Plan, would constitute a cumulatively considerable contribution to global climate change by exceeding the average carbon-efficiency standard necessary to meet statewide 2020 goals as established by AB 32. It was also determined that Citywide 2035 GHG emissions are projected to exceed efficiency standards necessary to maintain a trajectory to meet long-term 2050 state climate change reduction goals. However, achieving the substantial emissions reductions will require policy decisions at the federal and state level and new and substantially advanced technologies that cannot today be anticipated, and are outside the City's control, and therefore cannot be relied upon as feasible mitigation strategies. *Therefore, given the uncertainties about the feasibility of achieving the substantial 2035 emissions reductions, the General Plan EIR determined that the City's contribution to climate change for the 2035 timeframe is significant and unavoidable.*

In 2022, the City adopted a Climate Action Plan that included measures and actions that would reduce overall citywide GHG emissions by approximately 550,553 MTCO₂e per year, resulting in citywide GHG emissions of 946,487 MTCO₂e in 2030, below the 2030 target of 950,040 MTCO₂e per year. The 2022 Climate Action Plan addendum indicated that the 2022 CAP would not generate GHG emissions that may have a significant impact on the environment or conflict with a plan, policy, or regulation adopted for the purpose of reducing the emissions of greenhouse gases. With the adoption of the 2022 Climate Action Plan, impacts from greenhouse gas emissions would be *less than significant, and would have less impact than the adopted 2010 General Plan EIR.*

Impacts from greenhouse gas emissions described in the Lawrence Station Area Plan EIR, the Tasman East Specific Plan EIR, and the Patrick Henry Drive Specific Plan EIR all found that the proposed projects would meet the City's efficiency metric threshold, and would be consistent with policies from the 2013 Climate Action Plan.

Emissions from the Freedom Circle Focus Area were determined to be greater than the City's efficiency metric threshold, and as a result the EIR included two mitigation measures (9-1A and 9-1B) for projects in the plan area. These measures included the requirement for individual projects to implement transportation demand management programs, and to use GHG-free electricity sources. With the incorporation of the required mitigation measures, impacts from greenhouse gas emissions would be *less than significant, and would have less impact than the adopted 2010 General Plan EIR.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the greenhouse gas emissions impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR, subsequent EIRs, and to the 2022 Climate Action Plan addendum. *Therefore, similar to the General Plan EIR as addended by the Climate Action Plan, implementation of the proposed Housing Element Update would result in less than significant greenhouse gas emissions impacts.*

b) Conflict with Applicable Plan. The General Plan EIR determined that the City's projected 2035 GHG emissions would constitute a cumulatively considerable contribution to global climate change by exceeding the average carbon-efficiency standard necessary to maintain a trajectory to meet statewide 2050 goals as established by EO S-3-05. *Therefore, the General Plan EIR determined that this impact would be significant and unavoidable.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR, subsequent EIRs and the Climate Action Plan addendum.

Therefore, similar to the General Plan EIR as addended by the Climate Action Plan, implementation of the proposed Housing Element Update would result in less than significant greenhouse gas emissions impacts.

Cumulative Impacts

The General Plan EIR found that Citywide 2035 GHG emissions are projected to exceed efficiency standards necessary to maintain a trajectory to meet long-term 2050 state climate change reduction goals. However, it was found that achieving the substantial emissions reductions will require policy decisions at the federal and state level and new and substantially advanced technologies that cannot today be anticipated, and are outside the City's control, and therefore cannot be relied upon as feasible mitigation strategies. *Therefore, given the uncertainties about the feasibility of achieving the substantial 2035 emissions reductions, the General Plan EIR determined that the City's contribution to climate change for the 2035 timeframe is conservatively determined to be cumulatively considerable.*

The Planning Area is an almost completely urbanized area and cumulative impacts related to climate change and energy were analyzed in the General Plan EIR, and subsequent EIRs, and were determined to be significant and unavoidable. *Similarly, the cumulative greenhouse gas emissions impact from the proposed Housing Element Update would be significant and unavoidable.*

Conclusion

The proposed Housing Element Update would result in significant and unavoidable greenhouse gas emission impacts. However, the RHNA allocation described in the Housing Element Update would be within the amount of residential development analyzed within the General Plan EIR and subsequent EIRs. Future housing developed in accordance with the goals and policies of the Housing Element Update would have the effect of contributing incrementally to greenhouse gas emissions impacts. Development of future housing would be subject to environmental review pursuant to CEQA upon application for entitlement permits. Projects found to be not exempt from CEQA would be subject to analysis and mitigation, if required. No new significant impacts and no substantial increase in the severity of previously identified impacts associated with the proposed Housing Element Update would occur. Likewise, there is no new information of substantial importance requiring new analysis or verification. The Housing Element Update does not propose substantial changes that require major revisions to the General Plan EIR, and no new mitigation measures are required. As such, no subsequent environmental analysis and no new mitigation are required.

Applicable General Plan EIR Mitigation Measures

No feasible mitigation exists to mitigate the significant unavoidable impact.

4.9 – Hazards and Hazardous Materials

Would the project:

	Effect Examined in General Plan EIR?	Conclusion in General Plan EIR and Subsequent EIRs?	Proposed Changes Involving New or More Severe Impacts?	New Circumstances Involving New or More Severe Impacts?	New Information Showing New or More Severe Impacts?
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	Yes	Less than Significant with Mitigation Incorporated	No	No	No
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	Yes	Less than Significant with Mitigation Incorporated	No	No	No
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	Yes	Less than Significant with Mitigation Incorporated	No	No	No
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	Yes	Less than Significant with Mitigation Incorporated	No	No	No
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?	Yes	Less than Significant Impact	No	No	No

f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	Yes	Less than Significant Impact	No	No	No
g) Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires?	Yes	No Impact	No	No	No

Proposed Project in Relation to the General Plan EIR and Subsequent Amendments

(a-c) Hazardous Materials Use/Potential for Accidental Releases. The General Plan EIR noted that the 2010-2035 General Plan allows for a greater mix of uses, including location of residential uses in proximity to businesses which could expose sensitive receptors to hazardous materials used, stored or disposed of as waste by industrial or in some cases, commercial, operations. It was also noted that hazardous materials presently stored and used in Santa Clara include flammable liquids, acids, and similar substances, and that some of these substances are routinely transported and kept in large enough amounts that improper handling or an accidental spill or leak could result in off-site consequences that could adversely impact nearby workers or the public. It was further noted that placement of additional sensitive receptors near facilities that could have an accidental release of a hazardous substance that would have off-site consequences, or conversely, location of a new industrial, commercial or institutional use that uses or stores toxic substances near sensitive receptors, including within ¼ mile of schools, could increase the risk of adverse health effects in the event of an accidental release. In addition to housing, it was found that new sensitive receptors such as schools and day care centers will be developed within the General Plan Focus Areas. As such, it was determined that new development and redevelopment allowed under the 2010- 2035 General Plan could place sensitive uses in proximity to industrial, commercial or institutional hazardous materials users, and an accidental release of hazardous materials that travels off-site could pose health or safety risks to these sensitive land uses. However, it was found that the 2010-2035 General Plan includes updated hazards policies that address proper hazardous materials use and storage and the proximity of sensitive uses to substantial hazards from accidental release of hazardous materials and provide program-level mitigation for risks associated with the use, storage, and disposal of hazardous materials within the City. *Therefore, the General Plan EIR determined that implementation of General Plan policies for adequate mitigation or separation buffers between uses and existing regulations and programs would substantially reduce hazards to people and the environment to less than significant. However, the subsequent EIRs for the Tasman East SP and the Lawrence Station SP found that mitigation is required to reduce potential impacts from hazardous materials to less than significant. Therefore, this impact would be less than significant with incorporation of the following subsequent EIR mitigation measures, which will apply to the proposed Housing Element Update:*

- Tasman East SP EIR – See Mitigation Measures HAZ-1.1, HAZ-1.2, HAZ-1.3, HAZ-1.4, HAZ-1.5, and HAZ-1.6..
- Lawrence Station SP EIR – See Mitigation Measure HAZ-1, HAZ-2, and HAZ-3.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the hazardous materials impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and

subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts with mitigation incorporated.*

(d) Government Code Section 65962. The General Plan EIR found that the presence of hazardous materials on future development and redevelopment sites could result in hazardous materials exposure of construction workers during site preparation, demolition, and/or construction of new structures. Contaminated airborne dust could also migrate off-site during demolition or construction activities and affect adjacent land uses if improperly controlled. It was further found that within Santa Clara a variety of chemical compounds associated with fuels, oil, flammable liquids, metals, pesticides or other hazardous substances originating from historical and/or current land uses may be found in soils that will be disturbed by future development or redevelopment. It was also noted that releases of hazardous materials, such as volatile organic compounds and metals, into the environment could affect future residents or users through direct contact or, in the case of volatile organic compounds, inhalation of soil vapors. The General Plan EIR noted that contaminated groundwater, where encountered during site redevelopment activities, could also result in potential health risks to construction workers or the public, and if excavations extend to the groundwater table, dewatering could be required and extracted contaminated groundwater would require on-site management and/or treatment. Additionally, it was found that potentially hazardous environmental conditions from reported hazardous materials spills and releases are found in virtually all of the Focus Areas of the City. While a number of these reports represent cases considered closed by Responsible Agencies such as the Regional Water Quality Control Board, where there are changes in land uses or excavation into contaminated areas, a reevaluation of potential hazards and soil or groundwater management may be warranted. It was also found that development and redevelopment allowed under the 2010-2035 General Plan could occur on or near contaminated properties located throughout the City, and localized contamination of soil, soil vapor and ground water could adversely impact human health or the environment if not appropriately addressed and/or mitigated. Finally, the General Plan EIR found that there are no DTSC sites within the City included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5.

The General Plan EIR went on to note that remodel and repair activity, and demolition work in residential and commercial structures that disturbs asbestos-containing building materials may cause the release of asbestos fibers into the air, resulting in health impacts to workers, building occupants and the general public. It was also noted there is no known health threat if asbestos-containing materials are in generally good condition and are left undisturbed, and friable asbestos-containing material (i.e., material that can be crumbled, crushed or reduced to powder by hand pressure when dry) and non-friable asbestos-containing material that will be made friable during renovation or demolition are subject to regulation. As such, it was found that the National Emissions Standards for Hazardous Air Pollutants (NESHAP) guidelines require the removal of potentially friable asbestos-containing material prior to building demolition or renovation that may disturb these materials. In addition, the General Plan EIR found that demolition and renovation of buildings also have the potential to release lead particles to the air, resulting in health impacts to workers, building occupants and the general public. As such, it was determined that applicable OSHA regulations must be followed; these include requirements for worker training, air monitoring and dust control, among others, and any debris or soil containing lead must be disposed appropriately. Finally, the General Plan EIR found that new development and redevelopment allowed under the 2010- 2035 General Plan could occur in areas with soil or groundwater contamination or involve demolition of buildings containing hazardous building materials. *However, it was determined that implementation of General Plan policies and existing regulations and programs would substantially reduce hazards to people and the environment to less than significant. Similarly, the subsequent EIRs for the Tasman East SP and the Lawrence Station SP found that mitigation is required to reduce potential impacts from hazardous materials to less than significant. Therefore, this impact would be less*

than significant with incorporation of the following subsequent EIR mitigation measures, which will apply to the proposed Housing Element Update:

- Tasman East SP EIR – See Mitigation Measures HAZ-1.1, HAZ-1.2, HAZ-1.3, HAZ-1.4, HAZ-1.5, and HAZ-1.6..
- Lawrence Station SP EIR – See Mitigation Measure HAZ-1, HAZ-2, and HAZ-3.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the hazardous materials impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts with existing mitigation measures incorporated.*

(e) Airport Land Use Plan. The General Plan EIR found that new development and redevelopment allowed under the 2010- 2035 General Plan could occur in localized areas with identified building height and safety restrictions for Mineta San Jose International Airport. However, the General Plan EIR determined that implementation of General Plan policies and existing regulations and programs would substantially reduce aviation hazards to people and property. *Therefore, the General Plan EIR determined that impacts would be less than significant.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the potential airport land use impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts.*

(f) Emergency Plans. The General Plan EIR noted that the City of Santa Clara Hazardous Materials Division responds to emergency calls related to hazardous materials within the City, and the City also participates in the ABAG Local Hazards Plan and also has adopted a City of Santa Clara Emergency Plan (2008). The General Plan EIR also noted that the City does not maintain formal evacuation routes, as the most appropriate routes away from an area that may have been affected by a major disaster would be determined by the location and type of incident. It was determined that it may be necessary to restrict travel on certain roadways within the redevelopment and development areas under the 2010-2035 General Plan to facilitate construction activities such as demolition, material hauling, construction, staging, and modifications to existing infrastructure, and such restrictions could include lane closures, lane narrowing, and detours, which would be temporary but could continue for extended periods of time. As such, it was found that lane restrictions, closures, and/or detours could cause an increase in traffic volumes on adjacent roadways, which could affect emergency response routes. However, the General Plan EIR determined that redevelopment and development under the 2010- 2035 General Plan would include preparation a Traffic Management Plan, which would demonstrate where construction activities could interfere with emergency response routes and other traffic. With this information, the City is able to adequately plan around potential blocks in emergency right-of-way and would have the right to deny or halt construction activities if they would result in an adverse impact on public safety. *Therefore, the General Plan EIR determined that implementation of General Plan policies and existing regulations and programs, would substantially reduce the impairment of emergency response plans to less than significant.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including

subsequent EIRs related to specific plans or area plans, the potential impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts.*

(g) Wildfire Risks. The General Plan EIR noted that the California Department of Forestry and Fire Hazard Protection is responsible for the identification of very high fire hazard severity zones and transmission of these maps to local government agencies, and found that there are no wildfire hazards in the City of Santa Clara. *Therefore, the General Plan EIR determined there would be no project impacts related to wildland fires.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the potential wildfire impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in no impacts.*

Cumulative Impacts

The General Plan EIR noted that hazardous materials and other public health and safety issues are generally site-specific or affect localized areas and would not be significantly affected by other development in northern Santa Clara County. *Therefore, the General Plan EIR determined that the City's contribution to regional cumulative impacts related to hazards and hazardous materials would be less than significant.*

The Planning Area is an almost completely urbanized area and most of the Planning Area is designated in the City's General Plan and Zoning Code for urban development. Cumulative hazards and hazardous materials impacts related to the Housing Element Update in conjunction with other similar projects in the area were analyzed in the Environmental Impact Report prepared for the City of Santa Clara 2010-2035 General Plan and subsequent EIRs and were determined to be less than significant with incorporation of mitigation measures. *Therefore, the cumulative hazards and hazardous materials impact from the proposed Housing Element Update would be less than significant.*

Conclusion

The proposed Housing Element Update would not have a substantial adverse effect related to airport land use plans and wildfire but would require mitigation measures to reduce potential impacts related to hazardous materials transport, use, or accidental release and hazardous materials waste sites to less than significant. The RHNA allocation described in the Housing Element Update would be within the amount of residential development analyzed within the General Plan EIR and subsequent Specific Plan SP EIRs. Future housing developed in accordance with the goals and policies of the Housing Element Update would have the effect of contributing incrementally to hazards and hazardous materials impacts; however, development of future housing would be subject to environmental review pursuant to CEQA upon application for entitlement permits. Projects found to be not exempt from CEQA would be subject to analysis and mitigation, if required. The hazards and hazardous materials mitigation measures of the subsequent EIRs, as referenced above, would also be applicable to development associated with implementation of the Housing Element Update. No new significant impacts and no substantial increase in the severity of previously identified impacts associated with the proposed Housing Element Update would occur. Likewise, there is no new information of substantial importance requiring new analysis or verification. The Housing Element Update does not propose substantial

changes that require major revisions to the General Plan EIR, and no new mitigation measures are required. As such, no subsequent environmental analysis and no new mitigation are required.

Applicable General Plan EIR Mitigation Measures

No applicable General Plan EIR mitigation measures.

4.10 – Hydrology and Water Quality

Would the project:

	Effect Examined in General Plan EIR?	Conclusion in General Plan EIR and Subsequent EIRs?	Proposed Changes Involving New or More Severe Impacts?	New Circumstances Involving New or More Severe Impacts?	New Information Showing New or More Severe Impacts?
a) Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water supply?	Yes	Less than Significant with Mitigation Incorporated	No	No	No
b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?	Yes	Less than Significant Impact	No	No	No
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or through the addition of impervious surfaces, in a manner which would:					
i) result in substantial erosion or siltation on- or off-site;	Yes	Less than Significant Impact	No	No	No
ii) substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site;	Yes	Less than Significant with Mitigation Incorporated	No	No	No
iii) create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or	Yes	Less than Significant Impact	No	No	No

iv) impede or redirect flood flows?	Yes	Less than Significant Impact	No	No	No
d) In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?	Yes	Less than Significant Impact	No	No	No
e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?	Yes	Less than Significant Impact	No	No	No

Proposed Project in Relation to the General Plan EIR and Subsequent Amendments

(a) Violate Water Quality Standards or Degrade the Water Supply. The General Plan EIR found that ground-disturbing activities related to construction under the 2010-2035 General Plan could result in accelerated erosion on work sites including increased input of fine sediments into the City's storm drains and ultimately into area creeks and the Bay. It was also found that construction would use various hazardous substances such as vehicle fuels and lubricants, paving media, paints, solvents, etc.; accidental release or discharge of any of these substances could adversely affect water quality, endanger aquatic life, and/or result in violation of water quality standards. The General Plan EIR noted that all construction on sites of one acre or larger is required to manage discharge of storm water runoff under the Clean Water Act, through the preparation and implementation of a SWPPP. It was also noted that for future development over one acre in size, erosion hazards would be minimized through implementation of site-specific erosion measures in SWPPPs under the NPDES General Construction Permit and grading and excavation requirements in the City Code. However, given that many future development projects would be on properties less than one acre in size, it was noted that requirements for BMPs under the City's NPDES Municipal Permit, urban runoff policies, and the City Code would be the primary means of enforcing erosion control measures through the grading and building permit process. Additionally, it was noted that the City is committed to ensuring that construction-related grading complies with the erosion and sediment control BMPs set forth in the California Storm Water Quality Association's (CASQA) Storm Water Best Management Practice Handbook for Construction and with the erosion and sediment control plan recommendations of the ABAG Manual of Standards for Erosion and Sediment Control Measures. *With regulatory programs currently place, it was determined that the possible impacts of accelerated erosion during construction associated with development and redevelopment would be less than significant.*

The General Plan EIR noted that new impervious surfaces can increase the delivery of polluted runoff to area storm drains and ultimately to San Francisco Bay, and this is especially true during the "first flush" at the beginning of the storm season, when urban pollutants that have accumulated during the dry season are washed from paved surfaces. However, the General Plan EIR also noted that the City adheres to the terms of the NPDES permitting, which requires all developments that create one acre or more of impervious surface to incorporate design measures to reduce pollutant discharge to the maximum extent practicable, including site design measures, source controls, and storm water treatment measures that municipalities are to require of developments to ensure water quality. Given that many future development projects would be on properties less than one acre, requirements under the City's NPDES Municipal Permit, urban runoff policies, and the City Code would be the primary means of enforcing control measures after development is complete. With regulatory programs currently in place, the General Plan EIR determined that the possible impacts of accelerated runoff and decrease

in water quality after construction is complete for the development and redevelopment would be less than significant. *Therefore, it was determined that implementation of General Plan policies and existing programs would minimize water quality hazards to be less than significant. However, the subsequent Specific Plan EIR for the Lawrence Station SP found that mitigation is required to reduce potential impacts to water quality to less than significant. Therefore, this impact would be less than significant with incorporation of the following subsequent EIR mitigation measure, which will apply to the proposed Housing Element Update:*

- Lawrence Station SP EIR – See Mitigation Measure HYD-1.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the water quality impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts with mitigation incorporated.*

(b) Groundwater Supplies. The General Plan EIR found that new development and redevelopment under the 2010-2035 General Plan would have the potential to add new areas of impervious (paved or hardscaped) surface to the City, potentially decreasing infiltration and local recharge of shallow groundwater. However, it was also found that only a very small portion of the City (about 26 acres at the City's southwest corner) is within the recharge area for the potable water aquifer, and this area is developed as residential. It was further found that some regional commercial development was planned for this area, but it would be infill and redevelopment in areas that have previously been developed. As such, the net addition of impervious surface area was expected to be small, and would be further reduced by the minimization of paved and impervious surfaces and the promotion of measures to facilitate infiltration in conformance with the requirements under section C.3 of the NPDES Permit. *Therefore, given the City's existing developed and extensively hardscaped character, limited overall influence on potable aquifer recharge, and the 2010-2035 General Plan commitment to minimize hardscape and promote infiltration, the General Plan EIR determined that impacts related to interference with groundwater recharge would be less than significant.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the groundwater supply impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, impacts from implementation of the proposed Housing Element Update would be similar to the General Plan EIR and would result in less than significant impacts.*

(c.i-c.iv) Alter Drainage Patterns. The General Plan EIR noted that development often requires grading that alters natural drainage patterns. It was also noted that in the City, as in other densely developed Bay Area communities, natural drainage patterns have already been substantially modified to accommodate existing development. It was further noted that additional infill and redevelopment under the 2010-2035 General Plan could entail further modification, and both the City's industrial and commercial areas are expected to change from lower to higher intensity development. The General Plan EIR found that new development within the Planning Area would result in some potential for increased erosion and siltation both on- and off-site because grading and ground disturbance associated with development in these areas could increase the potential for accelerated erosion by changing natural drainage patterns. As such, the General Plan EIR found that for all future development and redevelopment on sites that are one acre or greater in size, erosion hazards would be minimized through implementation of site-specific erosion measures in SWPPPs under the NPDES General

Construction Permit and grading and excavation requirements in the City Code. It was further found that future development projects on properties of less than one acre would be subject to requirements for BMPs under the City's NPDES Municipal Permit, urban runoff policies, and the City Code, and the primary means of enforcing erosion control measures are through the grading and building permit process. Finally, it was found that the City also implements the "Guidelines and Standards for Lands Near Streams" in the City's entitlement and permitting functions, where applicable. *Therefore, with regulatory programs currently in place, the General Plan EIR determined that possible impacts of accelerated erosion during construction associated with development and redevelopment would be less than significant.*

The General Plan EIR went on to note that development proposed under the 2010-2035 General Plan would occur adjacent to water courses throughout the City, which has the potential to alter the course of the drainage pattern near the stream or river and increase flooding. It was also noted that extensive site modifications would have some potential to increase local site runoff and/or contribute to localized flooding, particularly where high density and mixed uses generally increases the percentage of impermeable surfaces. However, the General Plan EIR found that these hazards would be minimized through implementation of site-specific measures in SWPPPs under the NPDES General Construction Permit and by grading and excavation requirements in the City Code. Given that many future development projects would be on properties less than one acre, it was noted that requirements for BMPs under the City's NPDES Municipal Permit, urban runoff policies, and the City Code would be the primary means of enforcing control measures through the grading and building permit process. *Therefore, with regulatory protections in place, the General Plan EIR determined that impacts related to increases in surface runoff would be less than significant.*

The General Plan EIR noted that although the City is largely built out, development under the 2010-2035 General Plan would add quantities of impervious surface (including both buildings and pavement), potentially decreasing infiltration and increasing runoff. However, it was noted that for future development over one acre in size, storm water runoff would be minimized through implementation of site-specific measures in SWPPPs under the NPDES General Construction Permit and grading and excavation requirements in the City Code. In addition, given that many future development projects would be on properties less than one acre, it was noted that requirements for BMPs under the City's NPDES Municipal Permit, urban runoff policies, and the City Code would be the primary means of enforcing control measures through the grading and building permit process. The General Plan EIR further noted that the City Code and building code include provisions for postconstruction effective management of storm water runoff. *Therefore, with regulatory programs currently in place, the General Plan EIR determined that potential impacts of additional runoff to the storm water drainage system associated with development and redevelopment would be less than significant. However, the subsequent Specific Plan EIR for the Tasman East found that mitigation is required to reduce potential impacts from on- or off-site flooding to less than significant. Therefore, this impact would be less than significant with incorporation of the following subsequent EIR mitigation measures, which will apply to the proposed Housing Element Update:*

- Tasman East SP EIR – See Mitigation Measures HYD-1.1.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the drainage pattern impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts with existing mitigation incorporated.*

(d) Other Water-Related Risks or Pollution. The General Plan EIR found that new development and redevelopment under the 2010-2035 General Plan would have the potential to expose people or structures to increased risk of loss, injury, or death related to flooding, mudflow, debris flow, sea level rise, tsunami, or seiche. *However, the General Plan EIR determined that implementation of General Plan policies and existing programs would reduce impacts to less than significant.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, other water-related risks related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts with implementation of General Plan policies and existing programs.*

(e) Conflict with Water Quality or Groundwater Management Plans. The General Plan EIR did not analyze impacts related to conflicts with water quality or groundwater management plans. Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, the proposed Housing Element Update would not exacerbate a conflict with any water quality or groundwater management plans.*

Cumulative Impacts

The General Plan EIR noted that new development in the City and surrounding jurisdictions sharing the same watersheds (Guadalupe River, Calabazas Creek, and San Thomas Aquino Creek) may alter local drainage and runoff characteristics. It was also noted that storm water drainage systems are generally provided by local governments for areas within their jurisdictions, and are not provided on a regional basis. Therefore, the General Plan EIR determined that the City's contribution to cumulative regional impacts associated with storm water drainage systems would be less than significant. In terms of water quality, the General Plan EIR found that increased cumulative urbanization would be expected to increase vehicle traffic and related releases of automobile-related pollutants, including petroleum hydrocarbons, metals, and sediment, drain from roads into surface waters and which could have a cumulative impact to local watersheds. As such, it was noted that development in Santa Clara and adjacent cities would be required to comply with applicable NPDES permits, as discussed in *Section 4.4, Hydrology and Water Quality*, which would require that projects implement Best Management Practices (BMPs) to treat storm water runoff, prior to its discharge, to the maximum extent practicable. *Therefore, the General Plan EIR determined that compliance with applicable NPDES permits, as the permits are amended over the course of the General Plan's 25 year planning horizon, would reduce cumulative hydrology and water quality impacts to a less than significant level.*

The Planning Area is an almost completely urbanized area and most of the Planning Area is designated in the City's General Plan and Zoning Code for urban development. Cumulative hydrology and water quality impacts related to the Housing Element Update in conjunction with other similar projects in the area were analyzed in the Environmental Impact Report prepared for the City of Santa Clara 2010-2035 General Plan and subsequent EIRs and were determined to be less than significant with incorporation of mitigation measures. *Therefore, the cumulative hydrology and water quality impact from the proposed Housing Element Update would be similar to the impacts analyzed in the General Plan EIR and less than significant.*

Conclusion

The proposed Housing Element Update would not have a substantial adverse effect related to violations of water quality standards or degradation of the water supply, groundwater supplies, altered drainage patterns, other water-related risks, or conflicts with the applicable water quality plan. The RHNA allocation described in the Housing Element Update would be within the amount of residential development analyzed within the General Plan EIR and subsequent Specific Plan SP EIRs. Future housing developed in accordance with the goals and policies of the Housing Element Update would have the effect of contributing incrementally to hydrology and water quality impacts; however, development of future housing would be subject to environmental review pursuant to CEQA upon application for entitlement permits. Projects found to be not exempt from CEQA would be subject to analysis and mitigation, if required. The hydrology and water quality mitigation measures of the subsequent EIRs, as referenced above, would also be applicable to development associated with implementation of the Housing Element Update. No new significant impacts and no substantial increase in the severity of previously identified impacts associated with the proposed Housing Element Update would occur. Likewise, there is no new information of substantial importance requiring new analysis or verification. The Housing Element Update does not propose substantial changes that require major revisions to the General Plan EIR. As such, no subsequent environmental analysis and no new mitigation are required.

Applicable General Plan EIR Mitigation Measures

No applicable General Plan EIR mitigation measures.

4.11 – Land Use and Planning

Would the project:

	Effect Examined in General Plan EIR?	Conclusion in General Plan EIR and Subsequent EIRs?	Proposed Changes Involving New or More Severe Impacts?	New Circumstances Involving New or More Severe Impacts?	New Information Showing New or More Severe Impacts?
a) Physically divide an established community?	Yes	Less than Significant Impact	No	No	No
b) Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?	Yes	Less than Significant Impact	No	No	No

Proposed Project in Relation to the General Plan EIR and Subsequent Amendments

(a) Divide an Established Community. The General Plan EIR found that changes in land use that would occur upon the implementation of General Plan would not result in the physical division of an established community. The General Plan EIR noted that the Land Use policies and programs of the 2010-2035 General Plan encourage the preservation or enhancement of the existing, primarily residential community through infill development, open space opportunities, and development of compatible uses that will enhance the existing character of Santa Clara. The EIR also noted that the General Plan contains specific Land Use policies for compatibility that would reduce the amount of conflict between differing land uses. *Therefore, the General Plan EIR determined that this impact would be less than significant.*

Since the proposed Housing Element Update does not include any changes to the circulation policies or the general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would not divide an established community and would result in less than significant impacts.*

(b) Conflict with Applicable Plans. The General Plan EIR found that new development and redevelopment under the 2010-2035 General Plan has the potential to conflict with a responsible agency's applicable land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect. However, it was determined that implementation of General Plan policies and existing programs would minimize this effect. *Therefore, the General Plan EIR determined that project impacts would be less than significant.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore,*

implementation of the proposed Housing Element Update would not conflict with applicable plans and would result in less than significant impacts.

Cumulative Impacts

The General Plan EIR did not analyze cumulative impacts related to land use and planning. The Planning Area is an almost completely urbanized area and most of the Planning Area is designated in the City's General Plan and Zoning Code for urban development. However, cumulative land use and planning impacts related to the Housing Element Update in conjunction with other similar projects in the area were analyzed in the Environmental Impact Reports prepared for the subsequent EIRs and were determined to be less than significant. *Therefore, the cumulative land use and planning impact from the proposed Housing Element Update would be less than significant.*

Conclusion

The proposed Housing Element Update would not divide an established community or conflict with an applicable land use plan. The RHNA allocation described in the Housing Element Update would be within the amount of residential development analyzed within the General Plan EIR. Future housing developed in accordance with the goals and policies of the Housing Element Update would have the effect of contributing incrementally to land use and planning impacts. Development of future housing would be subject to environmental review pursuant to CEQA upon application for entitlement permits. Projects found to be not exempt from CEQA would be subject to analysis and mitigation, if required. No new significant impacts and no substantial increase in the severity of previously identified impacts associated with the proposed Housing Element Update would occur. Likewise, there is no new information of substantial importance requiring new analysis or verification. The Housing Element Update does not propose substantial changes that require major revisions to the General Plan EIR. As such, no subsequent environmental analysis and no new mitigation are required.

Applicable General Plan EIR Mitigation Measures

No applicable General Plan EIR mitigation measures.

4.12 – Mineral Resources

Would the project:

	Effect Examined in General Plan EIR?	Conclusion in General Plan EIR and Subsequent EIRs?	Proposed Changes Involving New or More Severe Impacts?	New Circumstances Involving New or More Severe Impacts?	New Information Showing New or More Severe Impacts?
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	Yes	No Impact	No	No	No
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	Yes	No Impact	No	No	No

Proposed Project in Relation to the General Plan EIR and Subsequent Amendments

(a-b) Known Mineral Resources/Loss of Mineral Resources. The General Plan EIR found that the City is located in an area zoned MRZ-1 for aggregate materials by the State of California. MRZ-1 zones are areas where adequate information indicates that no significant mineral deposits are present or where it is judged that little likelihood exists for their presence. The General Plan EIR found that there are no significant mineral resources present in the City boundaries. In addition, it was found that there are no exploitable oil or gas resources within the City, and new development and redevelopment under the 2010-2035 General Plan would not affect locally important mineral resources as there are none present in the City. *Therefore, it was determined that there would be no impact.*

There are no known significant mineral resources in the City and there are no exploitable oil or gas resources within the City. *Therefore, the proposed Housing Element Update would not result in the loss of availability of a known or locally important mineral resource.*

Cumulative Impacts

The General Plan EIR did not analyze cumulative impacts related to the loss of known mineral resources or mineral resources recovery sites. However, the General Plan EIR found that the Planning Area is not known to support significant mineral resources of any type, and no mineral resources are currently being extracted in the City. *Therefore, the proposed Housing Element Update would not result in cumulative mineral resources impacts.*

Conclusion

The proposed Housing Element Update would not result in the loss of known mineral resources or mineral resources recovery sites. The RHNA allocation described in the Housing Element Update would be within the amount of residential development analyzed within the General Plan EIR. Future housing

developed in accordance with the goals and policies of the Housing Element Update would have the effect of contributing incrementally to mineral resources impacts. Development of future housing would be subject to environmental review pursuant to CEQA upon application for entitlement permits. Projects found to be not exempt from CEQA would be subject to analysis and mitigation, if required. No new significant impacts and no substantial increase in the severity of previously identified impacts associated with the proposed Housing Element Update would occur. Likewise, there is no new information of substantial importance requiring new analysis or verification. The Housing Element Update does not propose substantial changes that require major revisions to the General Plan EIR, and no new mitigation measures are required. As such, no subsequent environmental analysis and no new mitigation are required.

Applicable General Plan EIR Mitigation Measures

No applicable General Plan EIR mitigation measures.

4.13 – Noise

	Effect Examined in General Plan EIR?	Conclusion in General Plan EIR and Subsequent EIRs?	Proposed Changes Involving New or More Severe Impacts?	New Circumstances Involving New or More Severe Impacts?	New Information Showing New or More Severe Impacts?
a) Would the project result in generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	Yes	Significant and Unavoidable Impact	No	No	No
b) Would the project result in generation of excessive groundborne vibration or groundborne noise levels?	Yes	Less than Significant with Mitigation Incorporated	No	No	No
c) For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	Yes	Less than Significant Impact	No	No	No

Proposed Project in Relation to the General Plan EIR and Subsequent Amendments

(a) Substantial Increase in Noise Levels.

Temporary/Construction Noise

The General Plan EIR found that new development and redevelopment under the 2010-2035 General Plan would cause a temporary or periodic increase in construction noise exposure above ambient levels. However, it was determined that implementation of Mitigation Measure 4.14-3 would reduce potential construction noise impacts to less than significant. *Similarly, the subsequent EIRs for the Tasman East SP, the Patrick Henry Drive SP, the Lawrence Station SP, and the Freedom Circle FFA also found that mitigation can reduce potential temporary construction-related impacts to less than significant. Therefore, this impact would be less than significant with incorporation of the following subsequent EIR mitigation measures, which will apply to the proposed Housing Element Update:*

- Tasman East SP EIR – See Mitigation Measures NV-2.1 and NV-2.2.
- Patrick Henry Drive SP EIR – See Mitigation Measure 13-1.
- Lawrence Station SP EIR – See Mitigation Measure NOI-3.

- Freedom Circle FFA EIR – See Mitigation Measures 13-1 and 13-2.

Operational Noise

The General Plan EIR also found that new development and redevelopment under the 2010-2035 General Plan would result in increased traffic noise, and the increases would be substantial for residential land uses along Tasman Drive between Lafayette Street and the easternmost City limits. As such, the General Plan EIR incorporated Mitigation Measure 4.14-2 to reduce traffic noise impacts. *However, because implementation of this measure cannot be guaranteed and may not be feasible, the General Plan EIR determined that this impact would be significant and unavoidable. Similarly, the subsequent EIRs for the Patrick Henry Drive SP, the Lawrence Station SP, and the Freedom Circle FFA found that this impact would be significant and unavoidable even after incorporation of mitigation. Therefore, this impact would remain significant and unavoidable with incorporation of the following subsequent EIR mitigation measures, which will apply to the proposed Housing Element Update:*

- Patrick Henry Drive SP EIR – See Mitigation Measures 13-3 and 13-4.
- Lawrence Station SP EIR – See Mitigation Measures NOI-1 and NOI-2.
- Freedom Circle FFA EIR – See Mitigation Measures 13-5 and 13-6.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the operational noise impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, impacts from implementation of the proposed Housing Element Update would be similar to those analyzed in the General Plan EIR and would result in significant and unavoidable operational noise impacts, and less than significant construction impacts with the application of mitigation measures.*

(b) Excessive Vibration. The General Plan EIR found that new development and redevelopment under the 2010-2035 General Plan could expose people to excessive ground vibration levels exceeding FTA guidelines. However, the General Plan EIR determined that implementation of Mitigation Measure 4.14-1 along with General Plan policies would minimize vibration impacts. As such, the General Plan EIR included incorporation of Mitigation Measures 4.10-1. Further, the General Plan EIR determined that the City would require individual development projects to undergo project-specific environmental review. If project-level significant vibration impacts are identified, site-specific mitigation measures will be required under CEQA. *Therefore, the General Plan EIR determined that vibration impacts would be less than significant with mitigation incorporated. Similarly, the subsequent EIRs for the Tasman East SP, the Patrick Henry Drive SP, and the Freedom Circle FFA found that mitigation measures could reduce potential impacts from excessive vibration to less than significant. Therefore, this impact would be less than significant with incorporation of the following subsequent EIR mitigation measures, which will apply to the proposed Housing Element Update:*

- Tasman East SP EIR – See Mitigation Measures NV-1.1, NV-1.2, NV-1.3, NV-1.4, and NV-1.5.
- Patrick Henry Drive SP EIR – See Mitigation Measure 13-2.
- Freedom Circle FFA EIR – See Mitigation Measures 13-3 and 13-4.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the vibration impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs.

Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts with existing mitigation incorporated.

(c) Airport/Airstrip Noise. The General Plan EIR found that new development and redevelopment under the 2010-2035 General Plan would exceed Santa Clara County Airport Land Use Commission (ALUC) noise thresholds, which could expose individuals living and working within the plan area to excessive aircraft noise. However, it was found that compliance with the local airport land use plan and the City's acceptable noise level standards as well as implementation of General Plan policies would effectively reduce potential program-level aircraft noise impacts. The City will require that individual development projects undergo project-specific environmental review. If significant project-level aircraft noise impacts are identified, specific mitigation measures will be required under CEQA. *Therefore, the General Plan EIR determined there would be a less than significant impact.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would not expose people residing or working in the project area to excessive noise levels and would result in less than significant impacts.*

Cumulative Impacts

The General Plan EIR noted that noise impacts are generally experienced locally as opposed to regionally. It was also noted that future increases in noise from buildout of the Mineta International Airport Master Plan, the BART to Silicon Valley extension project, and the High-Speed Rail project would all contribute to future noise conditions that would affect specific areas of Santa Clara. However, it was found that the future development allowed under the General Plan would not contribute to the railway or airport-related noise. It was further found that residents could be exposed to ongoing construction noise if multiple projects are clustered in an area and are constructed simultaneously or in sequence over a period of years, and increased traffic from build-out of the General Plan would contribute to a significant increase in traffic noise levels on roadway segments throughout the region, beyond accepted thresholds in various communities. *Therefore, the General Plan EIR determined that this impact, and the City's contribution to it with build-out of the General Plan, would be significant and unavoidable. The EIR further found that there was no feasible mitigation available to reduce cumulative impacts to levels of insignificance.*

The Planning Area is an almost completely urbanized area and most of the Planning Area is designated in the City's General Plan and Zoning Code for urban development. Cumulative noise impacts related to the Housing Element Update in conjunction with other similar projects in the area were analyzed in the Environmental Impact Report prepared for the City of Santa Clara 2010-2035 General Plan and subsequent EIRs and were determined to be significant and unavoidable. *Therefore, the cumulative noise impact from the proposed Housing Element Update would also be significant and unavoidable.*

Conclusion

The proposed Housing Element Update would not result in more severe noise impacts than were analyzed in the General Plan EIR and subsequent EIRs. The RHNA allocation described in the Housing Element Update would be within the amount of residential development analyzed within the General Plan EIR. Future housing developed in accordance with the goals and policies of the Housing Element Update would have the effect of contributing incrementally to noise impacts. Development of future housing would be subject to environmental review pursuant to CEQA upon application for entitlement

permits. Projects found to be not exempt from CEQA would be subject to analysis and mitigation, if required. General Plan EIR Mitigation Measures 4.14-1, 4.14-2, and 4.14-3, as described below, as well as the subsequent Specific Plan EIR mitigations measures described above, would also be applicable to the development associated with implementation of the Housing Element Update. No new significant impacts and no substantial increase in the severity of previously identified impacts associated with the proposed Housing Element Update would occur. Likewise, there is no new information of substantial importance requiring new analysis or verification. The Housing Element Update does not propose substantial changes that require major revisions to the General Plan EIR, and no new mitigation measures are required. As such, no subsequent environmental analysis and no new mitigation are required.

Applicable General Plan EIR Mitigation Measures

- MM 4.14-1:** Use the Federal Transit Administration vibration impact criteria, as described above under the Regulatory Setting, to evaluate the land use compatibility of sensitive uses proposed along the railroad/light-rail corridor using the best available information (e.g., High Speed Rail Program EIR) or site-specific measurements and analyses (assuming active railroad operations). Developers of sensitive uses shall demonstrate that potential impacts of existing or potential vibration have been minimized to the maximum feasible extent.
- MM 4.14-2:** Case studies have shown that the replacement of dense grade asphalt (standard type) with open-grade or rubberized asphalt can reduce traffic noise levels along local roadways by 2 to 3 dBA CNEL. A possible noise reduction of 2 dBA would be expected using conservative engineering assumptions, and future traffic noise increases could be mitigated to a less than significant level by repaving roadways with “quieter pavements.” To be a permanent mitigation, subsequent repaving would also have to use “quieter” pavements. Existing residential receivers located along Tasman Drive between Lafayette Street and the easternmost City limits either front the roadway (private outdoor use areas are located behind the homes) or have outdoor use areas adjacent to the roadway that may or may not be shielded by fences or noise barriers. In situations where private outdoor use areas are located adjacent to the roadway, new or larger noise barriers could be constructed to provide the additional necessary noise attenuation in private use areas. Typically, increasing the height of an existing barrier results in approximately one dBA of attenuation per one foot of additional barrier height. The design of such noise barriers would require additional analysis. Traffic calming could also be implemented to reduce noise levels expected with the project. Each five mph reduction in average speed provides approximately one dBA of noise reduction on an average basis (Leq/CNEL). Traffic calming measures that regulate speed improve the noise environment by smoothing out noise levels. Residences could also be provided with sound insulation treatments if further study finds that interior noise levels within the affected residential units would exceed 45 dBA CNEL as a result of the projected increase in traffic noise. Treatments to the homes may include the replacement of existing windows and doors with sound-rated windows and doors and the provision of a suitable form of forced-air mechanical ventilation to allow the occupants the option of controlling noise by closing the windows. The specific treatments for each affected residential unit would be identified on a case-by-case basis.
- MM 4.14-3:** Develop construction noise control plans that consider the following available controls in order to reduce construction noise levels as low as practical: Utilize ‘quiet’ models of air compressors and other stationary noise sources where technology

exists; Equip all internal combustion engine-driven equipment with mufflers, which are in good condition and appropriate for the equipment; Locate all stationary noise-generating equipment, such as air compressors and portable power generators, as far away as possible from adjacent land uses; Locate staging areas and construction material areas as far away as possible from adjacent land uses; Prohibit all unnecessary idling of internal combustion engines; Notify all adjacent land uses of the construction schedule in writing; Designate a "disturbance coordinator" who would be responsible for responding to any local complaints about construction noise. The disturbance coordinator will determine the cause of the noise complaint (e.g., starting too early, bad muffler, etc.) and will require that reasonable measures warranted to correct the problem be implemented. Conspicuously post a telephone number for the disturbance coordinator at the construction site and include it in the notice sent to neighbors regarding the construction schedule.

4.14 – Population and Housing

Would the project:

	Effect Examined in General Plan EIR?	Conclusion in General Plan EIR and Subsequent EIRs?	Proposed Changes Involving New or More Severe Impacts?	New Circumstances Involving New or More Severe Impacts?	New Information Showing New or More Severe Impacts?
a) Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	Yes	Significant and Unavoidable Impact	No	No	No
b) Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?	Yes	No Impact	No	No	No

Proposed Project in Relation to the General Plan EIR and Subsequent Amendments

(a) Induce Population Growth. The General Plan EIR found that while over the long-term the 2010-2035 General Plan accommodates the population growth forecast by ABAG Projections 2007, and accommodates in the near-term (2014) the RHNA goal set by ABAG, the General Plan is nonetheless ‘job-rich’. This means that it provides for more employment than housing and will lead to insufficient housing opportunities for all future Santa Clara workers. This is reflected in the jobs per employed resident ratio discussed above. Therefore, the General Plan EIR found that the 2010-2035 General Plan job growth (25,040 new jobs), would require substantial residential development elsewhere in the region to provide adequate housing opportunities for future workers. Based on planned job growth, roughly 3,500 housing units would need to be built elsewhere in the region to house Santa Clara workers who would have to reside outside of the City due to inadequate housing opportunities within the City. The General Plan EIR determined this to be a significant impact due to the secondary effects related to increased VMT resulting from commuting due to a shortage of residential opportunities in closer proximity to Santa Clara employment areas. These secondary effects are discussed in detail in the *Transportation, Air Quality, and Climate Change* sections, respectively, of the General Plan EIR. *Since implementation of the 2010-2035 General Plan would induce substantial population growth at other locations, the General Plan EIR determined that the impact is significant and unavoidable.*

The additional analyses regarding population and housing in the Lawrence Station Area Plan EIR, the Tasman East Specific Plan EIR, the Patrick Henry Drive Specific Plan EIR and the Freedom Circle Focus Area EIR all concluded that the addition of new housing units would incrementally lessen the City’s jobs/housing imbalance, and would provide those units close to jobs and transit and would constitute a *less than significant impact*. The conclusions of the General Plan EIR would therefore remain unchanged.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, the project will not result in an increase in the severity of the imbalance between jobs and housing beyond what was analyzed in the General Plan EIR or subsequent EIRs. Impacts related to implementation of the proposed Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in significant and unavoidable impacts.*

(b) Displace Housing. The General Plan EIR found that the 2010-2035 General Plan would retain all existing housing units and could accommodate the population growth as forecast in ABAG's Projections 2007. The General Plan EIR also found that the 2010-2035 General Plan would accommodate employment growth in ways (i.e., intensification of currently planned employment lands) that would not displace existing housing or people, nor would the construction of planned infrastructure or public facilities necessary to serve future growth require the displacement of existing housing units or people. The EIRs for the Lawrence Station Area Plan EIR, the Tasman East Specific Plan EIR, the Patrick Henry Drive Specific Plan EIR and the Freedom Circle Focus Area EIR all concluded that those area plans would not displace housing, as they were proposed in existing industrial areas. *Therefore, the General Plan EIR determined that the 2010-2035 General Plan as amended by subsequent program EIRs would have no impact in terms of housing or population displacement.*

Since the proposed project does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan including subsequent amendments related to specific plans or area plans the project will not result in impacts on housing displacement beyond what was analyzed in the General Plan EIR or subsequent EIRs. Impacts related to implementation of the proposed Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would not result in impacts related to the displacement of housing.*

Cumulative Impacts

The General Plan EIR noted that the cumulative scenario includes new population and employment growth planned by the cities of Santa Clara, San Jose, Cupertino, and Sunnyvale, and all cumulative population and employment growth would occur within the cities' existing urban growth boundaries, with no expansion of urban services to rural undeveloped areas. While some new development would occur through development of the relatively few remaining vacant infill parcels found in each city, the cumulative trend would continue to predominantly be redevelopment of existing low-intensity, underutilized parcels with new urban uses. In addition, it was found that most new housing accommodated within the cumulative jurisdictions would be in a medium- or high-density attached or mixed-use format. It was further found that new job growth would largely occur on previously developed parcels in intensified forms (i.e., more employees per acre compared to existing development patterns, often with structured parking). Given the interconnected nature of the cities and the regional transportation network, most workers would travel to jobs in a city different from where they live. In essence, the cumulative projects would accommodate two new jobs for every new employed resident, exacerbating Santa Clara County's existing jobs-housing imbalance (1.2 in 2005 according to ABAG Projections 2007). The General Plan EIR found that the environmental consequences would primarily be increased regional traffic congestion and air pollution from vehicles as workers unable to live near their employment commute long distances from outlying areas with affordable housing, continuing a pervasive trend over the past several decades as job growth has outpaced housing growth in Santa Clara County. Considering both 'in process' growth and new growth caused by the 2010-2035 General Plan, the City of Santa Clara would contribute to this cumulative imbalance in 2035 by adding 39,490 residents (yielding 23,694 employed residents) and 46,180 jobs, for a jobs per employed resident ratio

of 1.95, (46,180 jobs divided by 23,694 employed residents). *Therefore, the General Plan EIR determined that this is a cumulatively considerable contribution to a significant cumulative impact that cannot be mitigated and is adverse and unavoidable. Subsequent program EIRs, including the Lawrence Station Area Plan EIR, the Tasman East Specific Plan EIR, the Patrick Henry Drive Specific Plan EIR and the Freedom Circle Focus Area EIR did not change this significance determination.*

Since the proposed project does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan including subsequent amendments related to specific plans or area plans the project will not result in an increase in the severity of the imbalance between jobs and housing beyond what was analyzed in the General Plan EIR or subsequent EIRs. *Project impacts would be similar to the General Plan EIR and would continue to be significant and unavoidable.*

Conclusion

The proposed Housing Element Update would not have a substantial adverse effect on Population and Housing beyond the potential impacts already identified in the General Plan EIR and subsequent specific plan and area plan EIR's. The RHNA allocation described in the Housing Element Update would be within the amount of residential development analyzed within the General Plan EIR and the EIR's for subsequent specific plans and area plans: therefore, the proposed project would not contribute to the jobs-housing imbalance. Development of future housing would be subject to project-level environmental review pursuant to CEQA upon application for entitlement permits and would also be subject to existing mitigation measures. No new significant impacts and no substantial increase in the severity of previously identified impacts associated with the proposed Housing Element Update would occur. Likewise, there is no new information of substantial importance requiring new analysis or verification. The Housing Element Update does not propose substantial changes that require major revisions to the General Plan EIR, and no new mitigation measures are required. As such, no subsequent environmental analysis and no new mitigation are required.

Applicable General Plan EIR Mitigation Measures

No feasible mitigation exists to mitigate the significant unavoidable impact.

4.15 – Public Services

Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:

	Effect Examined in General Plan EIR?	Conclusion in General Plan EIR and Subsequent EIRs?	Proposed Changes Involving New or More Severe Impacts?	New Circumstances Involving New or More Severe Impacts?	New Information Showing New or More Severe Impacts?
a) Fire protection?	Yes	Less than Significant Impact	No	No	No
b) Police protection?	Yes	Less than Significant Impact	No	No	No
c) Schools?	Yes	Less than Significant Impact	No	No	No
d) Parks?	Yes	Less than Significant Impact	No	No	No
e) Other public facilities?	Yes	Less than Significant Impact	No	No	No

Proposed Project in Relation to the General Plan EIR and Subsequent Amendments

(a) Fire protection. The General Plan EIR found that new growth under the 2010-2035 General Plan would result in new population and residential and commercial development in Santa Clara, which would increase demand for fire and emergency medical protection services. However, it was found that existing facilities would have the capacity to absorb additional fire personnel without expanding the existing stations. Therefore, it was found that there would be no construction activities associated with the provision of new fire and life safety services and no associated construction-related effects. Additional fire personnel would be housed in the existing facilities; however, there would be no need for expansion of the facilities. In addition, the General Plan EIR noted that the 2010-2035 General Plan includes updated policies that address fire protection and public safety. In the Specific Plan EIR for the Lawrence Station Area Plan (LSAP), it was determined that there could be Significant and Unavoidable cumulative impacts on the provision of Fire Services based on the demand created from the LSAP and from other foreseeable projects, such as the Tasman East Specific Plan. EIRs for the Tasman East Specific Plan, Patrick Henry Drive Specific Plan and the Freedom Circle Focus Area declared the impacts on the provision of Fire Services to be less than significant.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, fire protection impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in the same impacts as General Plan EIR and subsequent program EIRs.*

(b) Police protection. The General Plan EIR found that implementation of the 2010-2035 General Plan would increase the need for police services, and the additional officers would be housed in the existing facilities. The General Plan EIR found that refurbishment of the facilities would consist of reconfiguration of space and regular upgrade of furniture and equipment, but there would be no need for expansion of the facilities. Therefore, there would be no construction activities associated with the provision of new police services and no associated construction-related effects. The Lawrence Station Area Plan EIR noted that a future police substation would be incorporated into Fire Station Number 9 within the Lawrence Station neighborhood, and that impacts to Police Services would be less than significant. The Tasman East, Patrick Henry Drive and Freedom Circle EIRs all noted that any additional police services could be accommodated within existing buildings. The General Plan EIR also found that the 2010-2035 General Plan includes updated policies that address police protection and public safety. *Therefore, the General Plan EIR, along with subsequent program EIRs, determined that impacts on police protection services would be less than significant.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, police protection impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts.*

(c) Schools. The General Plan EIR found that the increase in population associated with new development and redevelopment allowed under the 2010-2035 General Plan would increase the demand for school and community facilities services. The General Plan EIR further found that new development projected under the 2010-2035 General Plan would fall primarily within the jurisdiction of SCUSD, and approximately 12,500 households are expected to be added to the SCUSD area, which would result in approximately 2,000 additional students. The General Plan EIR found that SCUSD has four closed school sites that could be used to serve new development. Alternatively, it was noted SCUSD may choose to modify school catchment areas or add modular classrooms to accommodate new students. It was also noted that SCUSD was also anticipating the construction of new school facilities in north San José as a result of an agreement with that city and future housing developers, and these new facilities in San José would add more capacity for new students and can reduce the number of students now in Santa Clara facilities. The General Plan EIR further noted that the Campbell Union (K-8) and Campbell Union High (9-12) school districts, which overlap, would realize approximately 500 additional households as a result of implementation of the 2010-2035 General Plan, generating approximately 38 new K-8 and 42 new 9-12 grade students. The Campbell K-8 and Campbell 9-12 districts were anticipated to be able to accommodate the relatively modest gain in students from the City by modifying school catchment areas, busing and adding modular classrooms. The General Plan EIR found that the 2010-2035 General Plan includes updated policies that address schools and community facilities, and policies and existing regulations and programs are designed to ensure that future development of new facilities within the City would not have an adverse physical effect on the existing environment. The Lawrence Station Area Plan EIR notes that there are proximate closed school facilities that could be re-opened to accommodate the estimated additional 164 students that would live in the plan area. The Tasman East and Freedom Circle EIRs also note proximate schools' capacities

and their ability to accommodate new students from their respective plan areas. Each of the other subsequent EIRs also recognizes that as required by state law (Government Code Section 65996), the project proponents for future development projects shall pay the appropriate school impact fees to SCUSD to offset the increased demands on school facilities caused by their development projects. *Therefore, the General Plan EIR, along with subsequent program EIRs determined that impacts to schools would be less than significant.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, schools impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts.*

(d) Parks. Potential impacts to parks and recreation facilities are discussed in section 4.16, below. The General Plan EIR found that the increase in the population associated with new development and redevelopment allowed under the 2010-2035 General Plan would increase the demand on existing parks, open space and recreation facilities. However, it was determined that the General Plan policies and existing regulations and programs were designed to ensure that increased demand associated with an increase in population would not significantly accelerate the deterioration of existing facilities. In addition, in 2014 the Santa Clara City Council adopted Ordinance No. 1928 adding City Code Chapter 17.35 (“Park and Recreational Land”) to Title 17 (“Development”) of the Santa Clara City Code to help mitigate the impacts of new housing development growth on existing parkland subject to the provisions of the State of California Quimby Act and Mitigation Fee Act. Chapter 17.35 requires new residential developments to provide adequate park and recreational facilities and/or pay a fee in-lieu of parkland dedication at the discretion of the City. Subsequent program EIRs, including the Lawrence Station Area Plan EIR, the Tasman East Specific Plan EIR, the Patrick Henry Drive EIR and the Freedom Circle Focus Area EIR reinforce this requirement. *As such, it was determined that the General Plan, as amended by later Specific Plans, would not result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities and impacts to parks would be less than significant.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, parks impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts.*

(e) Other Public Facilities. The General Plan EIR noted that additional library facilities may be needed to meet the demand from the addition of approximately 33,000 new residents anticipated as a result of the 2010-2035 General Plan. Given that the large Central Park Library facility is located in the southern portion of the City, it is relatively close to, and could serve, anticipated new development along El Camino Real, Homestead Road, Kiely Boulevard and Stevens Creek Boulevard. However, it was found that new library facilities may be needed to serve the anticipated development in the northern portion of the City. The General Plan EIR found that new growth as a result of implementation of the 2010-2035 General Plan would increase the demand for arts, cultural and community facilities; however, it was found that this future demand would not exceed the existing service capacity or generate the need for additional facilities particularly when the City can optimize the use of streets or other existing neighborhood amenities for community events. The General Plan EIR determined that General Plan policies and existing regulations and programs would ensure that future development of new facilities within the City would not have an adverse physical effect on the existing environment.

The Lawrence Station EIR notes that development under the LSAP would add approximately 9,415 new residents to the City, increasing Santa Clara City Library's (SCCL) service population by approximately 7.7 percent. This increase in service population would slightly effect SCCL's existing service ratios, but not to the extent that would require new or expanded library facilities.

The Tasman East Specific Plan EIR indicates that residential development at buildout would result in approximately 12,285 new residents in Santa Clara. The City does not currently have service ratios or other performance objectives for library services. The residents generated by the project would slightly reduce the library-space-per-resident ratio and library-items-per-resident ratio by 9.4 percent, from 0.85 to 0.77 square feet of library space per resident and from 3.69 to 3.36 items (e.g., books and audio/visual volumes) per resident.

The Patrick Henry Drive Specific Plan and Freedom Circle Focus Area EIRs also recognize incremental increases in library usage from new residential uses associated with the respective plans. None of the EIRs identify a new significant impact regarding library services.

Therefore, the General Plan EIR as addended by subsequent program EIRs determined that impacts to other public facilities would be less than significant.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent EIRs related to specific plans or area plans, public facilities impacts related to implementation of the Housing Element Update would be similar to the General Plan EIR and subsequent EIRs. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts.*

Cumulative Impacts

The General Plan EIR noted that public services are generally provided by local governments for areas within their jurisdictions and are not provided on a regional basis. It was also noted that law enforcement and fire protection and emergency services are provided by local governments or fire protection districts for areas within their jurisdiction, supplemented by mutual aid agreements between agencies to pool resources. Public schools are provided by school districts to residential areas within their jurisdictions. While districts may cross city jurisdictional boundaries, school services are still provided at the local, rather than regional, level. As with the other public services, libraries are also generally provided by local governments for areas within their jurisdiction, and services are not provided on a regional basis. Social services are generally provided by counties, and not on a regional basis. Neighborhood parks and recreational services are generally provided by local governments for areas within their jurisdiction. The General Plan EIR determined that the 2010-2035 General Plan would not substantially impact the use of the other jurisdictions' libraries, parks and recreation facilities in the region, although Santa Clara residents are also residents of Santa Clara County and would continue to take advantage of County parks, trails, and other recreational facilities, funded in part by Santa Clara resident taxes. *Therefore, the General Plan EIR determined that the cumulative regional impacts of the 2010-2035 General Plan associated with law enforcement, fire and emergency, schools, library, social, and neighborhood parks and recreation services would be less than significant.*

Since the proposed project does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent amendments related to specific plans or area plans, the project will not result in an increase in demand for public services or facilities beyond what was analyzed in the General Plan EIR or subsequent EIRs. Project cumulative impacts would be similar to those evaluated in the General Plan EIR and less than

significant. *Therefore, implementation of the proposed Housing Element Update would result in less than significant impacts.*

Conclusion

The proposed Housing Element Update would not have a substantial adverse effect on Public Services beyond the potential impacts already identified in the General Plan EIR and subsequent specific plan and area plan EIR's. The RHNA allocation described in the Housing Element Update would be within the amount of residential development analyzed within the General Plan EIR and the EIR's for subsequent specific plans and area plans. Therefore, the proposed project would not generate an additional demand for open space and recreational facilities. Development of future housing would be subject to project-level environmental review pursuant to CEQA upon application for entitlement permits and would also be subject to existing mitigation measures. No new significant impacts and no substantial increase in the severity of previously identified impacts associated with the proposed Housing Element Update would occur. Likewise, there is no new information of substantial importance requiring new analysis or verification. The Housing Element Update does not propose substantial changes that require major revisions to the General Plan EIR, and no new mitigation measures are required. As such, no subsequent environmental analysis and no new mitigation are required.

Applicable General Plan EIR Mitigation Measures

No applicable General Plan EIR mitigation measures.

4.16 – Recreation

	Effect Examined in General Plan EIR?	Conclusion in General Plan EIR and Subsequent EIRs?	Proposed Changes Involving New or More Severe Impacts?	New Circumstances Involving New or More Severe Impacts?	New Information Showing New or More Severe Impacts?
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	Yes	Less than Significant Impact	No	No	No
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?	Yes	Less than Significant Impact	No	No	No

Proposed Project in Relation to the General Plan EIR and Subsequent Amendments

(a) Increased Park Use/ Substantial Physical Deterioration. The General Plan EIR found that the increase in the population associated with new development and redevelopment allowed under the 2010-2035 General Plan would increase the demand on existing parks, open space and recreation facilities. However, it was determined that the General Plan policies and existing regulations and programs were designed to ensure that increased demand associated with an increase in population would not significantly accelerate the deterioration of existing facilities. *Therefore, the General Plan EIR determined that impacts to recreation facilities would be less than significant.*

Since the proposed project does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent amendments related to specific plans or area plans, the project will not result in an increase in demand for parklands and park facilities beyond what was analyzed in the General Plan EIR or subsequent EIRs. Project impacts would be similar to those evaluated in the General Plan EIR. *Therefore, the proposed project would have a less than significant impact.*

(b) Include or Require Recreational Facilities. The General Plan EIR found that new development and redevelopment allowed under the 2010-2035 General Plan would require additional parkland and recreation facilities in the City. However, the General Plan EIR determined that the General Plan policies and existing regulations and programs were designed to ensure that future development of parkland within the City would not have an adverse physical effect on the existing environment. This includes the 2014 adoption of Ordinance No. 1928 adding City Code Chapter 17.35 (“Park and Recreational Land”) to Title 17 (“Development”) of the Santa Clara City Code to help mitigate the impacts of new housing development growth on existing parkland subject to the provisions of the State of California

Quimby Act and Mitigation Fee Act. Chapter 17.35 requires new residential developments to provide adequate park and recreational facilities and/or pay a fee in-lieu of parkland dedication at the discretion of the City. Subsequent program EIRs, including the Lawrence Station Area Plan EIR, the Tasman East Specific Plan EIR, the Patrick Henry Drive EIR and the Freedom Circle Focus Area EIR reinforce this requirement. *As such, it was determined that the General Plan, as amended by later Specific Plans would not result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities and impacts to parks would be less than significant.*

Since the proposed project does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent amendments related to specific plans or area plans, the project will not result in an increase in demand for parklands and park facilities beyond what was analyzed in the General Plan EIR or subsequent EIRs. Project impacts would be similar to those evaluated in the General Plan EIR. *Therefore, the proposed project would have a less than significant impact.*

Cumulative Impacts

The General Plan EIR did not analyze cumulative recreation impacts. Since the proposed project does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent amendments related to specific plans or area plans, the project will not result in a cumulative increase in demand for parklands and park facilities beyond what was analyzed in the General Plan EIR or subsequent EIRs. Project cumulative impacts would be similar to those evaluated in the General Plan EIR. *Therefore, the proposed project would have a less than significant impact.*

Conclusion

The proposed Housing Element Update would not have a substantial adverse effect on Open Space and Recreation beyond the potential impacts already identified in the General Plan EIR and subsequent specific plan and area plan EIR's. The RHNA allocation described in the Housing Element Update would be within the amount of residential development analyzed within the General Plan EIR and the EIR's for subsequent specific plans and area plans. Therefore, the proposed project would not generate an additional demand for open space and recreational facilities. Development of future housing would be subject to project-level environmental review pursuant to CEQA upon application for entitlement permits and would also be subject to existing mitigation measures. No new significant impacts and no substantial increase in the severity of previously identified impacts associated with the proposed Housing Element Update would occur. Likewise, there is no new information of substantial importance requiring new analysis or verification. The Housing Element Update does not propose substantial changes that require major revisions to the General Plan EIR, and no new mitigation measures are required. As such, no subsequent environmental analysis and no new mitigation are required.

Applicable General Plan EIR Mitigation Measures

No applicable General Plan EIR mitigation measures.

4.17 – Transportation

Would the project:

	Effect Examined in General Plan EIR?	Conclusion in General Plan EIR and Subsequent EIRs?	Proposed Changes Involving New or More Severe Impacts?	New Circumstances Involving New or More Severe Impacts?	New Information Showing New or More Severe Impacts?
a) Conflict with a program plan, ordinance or policy addressing the circulation system including transit, roadway, bicycle and pedestrian facilities?	Yes	Significant and Unavoidable	No	No	No
b) Would the project conflict or be inconsistent with CEQA Guidelines Section 15064.3, subdivision (b)?	Yes	Less than Significant	No	No	No
c) Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	No	Not Examined	No	No	No
d) Result in inadequate emergency access?	Yes	Less than Significant with Mitigation Incorporated	No	No	No

Proposed Project in Relation to the General Plan EIR and Subsequent Amendments

(a) **Circulation Plan Consistency.** The General Plan EIR found that despite the 2010-2035 General Plan's overall land use-transportation efficiency, future development would nonetheless generate substantial additional traffic volumes that would cause congestion along certain roadway segments within the City's jurisdiction, adjoining cities and freeway segments for which, in most cases, no feasible mitigation (i.e., ability to add new travel lanes) exists. Operating levels of City roadway segments would degrade below City Level of Service standards. *Therefore, the General Plan EIR determined that the impact would be significant and unavoidable with respect to Level of Service/congestion.*

The General Plan EIR also found that implementation of the 2010- 2035 General Plan would result in the degrading of the operating levels of County Congestion Management Program (CMP) roadway segments beyond the then current County CMP Levels of Service standard, which was also determined to be a significant and unavoidable impact with respect for which there is no feasible mitigation.

The General Plan EIR also found that the increased motor vehicle traffic and increased congestion from the 2010 - 2035 General Plan would result in increased transit travel times on transit corridors which

was considered a significant impact. The Findings of Fact also referenced General Plan Policy 5.8.3-P3 as a means to address this potential impact:

“Support transit priority for designated Bus Rapid Transit, or similar transit service, through traffic signal priority, bus queue jump lanes, exclusive transit lanes and other appropriate techniques.”

However, it was determined that there are no feasible mitigation measures to reduce this impact because the feasibility of transit-only lanes would be evaluated in more detailed studies and the effect of these policies is not fully known, including potential secondary impact. *Therefore, the impact was considered significant and unavoidable.*

The Tasman East Specific Plan also includes the following mitigation measures to address traffic congestion, that, in some cases reduce localized impacts to some road, to less than significant, but overall, still resulted in significant and unavoidable impacts:

- Tasman East SP EIR – See Mitigation Measures 1.1:9, 1.2:10, 1.3:11, 1.4:37, 3.1:1, 3.2:9, 3.3:10, and 3.4:37.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent amendments related to specific plans or area plans, the project will not result in an increase in the number or length of vehicle trips beyond what was analyzed in the General Plan EIR or subsequent EIRs. Project impacts would be similar to the General Plan EIR. *Therefore, the proposed project would result in a significant and unavoidable impact on the circulation system.*

(b) **CEQA Guidelines Section 15064.3(b).** Although the CEQA Guidelines did not, as it now does, require the analysis of Vehicle Miles Travelled (VMT) when the General Plan EIR was certified, potential VMT impacts were actually evaluated in the EIR. The EIR noted that the total VMT generated under the 2010-2035 General Plan for the City of Santa Clara was estimated to be 3.74 million vehicle-miles per day (or a net increase of 552,227 vehicle miles compared to existing conditions). It was also found that the resulting average VMT per service population (residents and jobs) would be 12.2 vehicle miles per day under the 2010-2035 General Plan, which represents a reduction of approximately 15.3 percent per service population compared to existing conditions at the time. The General Plan EIR further noted that this reflects that the general plan Focus Areas would include development of new complementary land uses that are in close proximity to each other, provide more opportunities for shorter trips that encourage walking and bicycling, and utilize higher densities of development that support enhanced transit service. At a citywide performance level, the General Plan EIR found that the 2010-2035 General Plan more efficiently links land uses and the transportation system network in that VMT and VMT per service population are dropping compared to existing conditions, VMT growth is less than population growth, non-auto travel mode shares increase, and trip length is virtually unchanged. The General Plan EIR found that all of these indicators suggest the 2010-2035 General Plan is an efficient, well-balanced plan from a land use-transportation standpoint compared to existing conditions.

The Lawrence Station Area Plan EIR analyzed VMT for the purposes of its Air Quality analysis and determined that the LSAP could potentially contribute to a larger increase in VMT growth in the plan area than population growth. With no way to accurately measure population growth in the study area (because there were no residences at the time), that impact was found to be significant and unavoidable.

The LSAP EIR also indicated that, “It should be noted, however, that the LSAP as a [Transit-Oriented Development] TOD is located in close proximity to transit and employment centers and would reduce VMT trips when compared to suburban projects that contribute to sprawl.”

By 2021, CEQA required VMT analyses for development projects, and both the Patrick Henry Drive Specific Plan and the Freedom Circle Focus Area were analyzed for Vehicle Miles Traveled. Both projects meet the criteria to qualify as a transit supportive project because they meet the criteria established by the City related to proximity to transit, density, multimodal transportation networks, transit-oriented design elements, parking, and affordable housing. Both were therefore exempt from a quantitative analysis of VMT and impacts from VMT were determined to be *less than significant*.

Therefore, the General Plan EIR determined that the impact on vehicle miles of travel would be less than significant. Subsequent program EIRs containing VMT analyses for the purpose of transportation impacts also concluded that transportation impacts would be less than significant.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan, including subsequent amendments related to specific plans or area plans, the project will not result in an increase in VMT beyond what was analyzed in the General Plan EIR or subsequent EIRs. Project impacts would be similar to those evaluated in the General Plan EIR and less than significant. *Therefore, the proposed Housing Element Update would result in a less than significant VMT impact.*

(c) Design Hazards. The General Plan EIR did not directly analyze potential impacts from design features hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses. The General Plan EIR did not identify any existing or potential design hazards that could occur as the result of implementation of the General Plan. In addition, potential roadway and circulation design hazards more typically occur with site specific development proposal instead of plan/programs like a general plan. When development proposal applications are submitted to the City they are review for potential design and circulation hazards and are subject to City regulations and standards related to project access and roadway design.

The Tasman East Specific Plan EIR indicated that the project design does not include sharp curves or dangerous intersections that could result in safety hazards within the Plan Area; nor does the project propose incompatible uses. The Specific Plan would have an interconnected street network and all streets would be designed to accommodate emergency vehicles and concluded that impacts from design features would be *less than significant*.

In the Patrick Henry Drive Plan EIR, the transportation analysis notes the, “Conflicts between modes would be reduced through better accommodations, including Specific Plan elements such as new and/or improved sidewalks, bike lanes, and more accessible and comfortable bus stops. The Specific Plan proposes an improved internal roadway network designed to accommodate vehicular traffic that is balanced with other modes (including walking, cycling, micro-mobility, and transit).”

Freedom Circle: When detailed site plans for future development projects are submitted, project-related roadway designs would be subject to City review, which would ensure adequacy of circulation patterns and safety standards; reduce potential conflicts between vehicles, pedestrians, bicyclists, and buses; and remove potential hazards due to design features (i.e., insufficient sightlines or distances) or incompatible uses. Therefore, this impact would be *less than significant*.

Since the proposed Housing Element Update does not include any changes to general plan land use designations, or circulation or related policies, the project will not result in an increase in potential design

hazard beyond what was analyzed in the General Plan EIR or subsequent EIRs. Project impacts would be similar to those evaluated in the General Plan EIR and less than significant. *Therefore, the proposed project would not result in impacts related to design hazards.*

(d) **Emergency Access.** The General Plan EIR did not specifically analyze impacts related to inadequate emergency access. However, the General Plan EIR found that increased motor vehicle traffic and increased congestion associated with implementation of the General Plan could result in increased emergency response times, and increased vehicle traffic associated with the 2010-2035 General Plan could result in increased traffic congestion as described under Impacts 4.12-1 through 4.12-5. This congestion, anticipated mainly during the morning and evening commute periods, would result in decreased travel speeds and increased emergency vehicle response times on key routes in the City. To mitigate the impact of the 2010-2035 General Plan on emergency vehicle response times, the General Plan included a prerequisite policy 5.1.1-P5. *With implementation of this policy, the General Plan EIR determined that the impact would be less than significant.*

Since the proposed project does not include any changes to general plan land use designations, or circulation or related policies, the project will not result in an increase in potential design hazards beyond what was analyzed in the General Plan EIR or subsequent EIRs: project impacts would be similar to those evaluated in the General Plan EIR and less than significant. Therefore, the proposed project would not result in impacts related to emergency access.

Cumulative Impacts

The General Plan EIR determined that under cumulative conditions, which assumes build-out of all planned growth in the region, including the City's Draft General Plan, regional roadways and highways would experience levels of service in excess of those identified by responsible agencies, for which no feasible mitigation exists. *These cumulative impacts, and the City's contribution to them under the General Plan, were determined to be significant and unavoidable.*

Since the proposed project does not include any changes to general plan land use designations, or circulation or related policies, the project will not result in an increase in cumulative impacts beyond what was analyzed in the General Plan EIR or subsequent EIRs. Project impacts would be similar to those evaluated in the General Plan EIR and significant and unavoidable. *Therefore, the proposed project would not result in cumulative transportation impacts.*

Conclusion

The proposed Housing Element Update would not have a substantial adverse effect on Transportation beyond the potential impacts already identified in the General Plan EIR and subsequent specific plan and area plan EIR's. The RHNA allocation described in the Housing Element Update would be within the amount of residential development analyzed within the General Plan EIR and the EIR's for subsequent specific plans and area plans. Therefore, the proposed project would not generate any additional vehicle trips or VMT. Development of future housing would be subject to project-level environmental review pursuant to CEQA upon application for entitlement permits and would also be subject to existing mitigation measures. No new significant impacts and no substantial increase in the severity of previously identified impacts associated with the proposed Housing Element Update would occur. Likewise, there is no new information of substantial importance requiring new analysis or verification. The Housing Element Update does not propose substantial changes that require major revisions to the General Plan EIR, and no new mitigation measures are required. As such, no subsequent environmental analysis and no new mitigation are required.

Applicable General Plan EIR Mitigation Measures

MM 4.12-1: Adopt Prerequisite Policy 5.1.1-P5. Prior to the implementation of Phase II^{iv} and III of the 2010-2035 General Plan, evaluate appropriate measures to maintain emergency response time standards.

^{iv} Note that Policy 5.1.1-P5 was modified as part of the 2014 General Plan Update, which was adopted with a MND. As modified, the Policy now directs the evaluation of appropriate measures to maintain emergency response time standards prior to the implementation of Phase III, rather than Phases II and III.

4.18 – Tribal Cultural Resources

Would the project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code Section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a Cultural Native American tribe, and that is:

	Effect Examined in General Plan EIR?	Conclusion in General Plan EIR and Subsequent EIRs?	Proposed Changes Involving New or More Severe Impacts?	New Circumstances Involving New or More Severe Impacts?	New Information Showing New or More Severe Impacts?
a) Listed or eligible for listing in the California Register of Historical resources, or in a local register of historical resources as defined in Public Resources Code Section 5020.1(k), or	No	Not Examined	No	No	No
b) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.	No	Not Examined	No	No	No

Proposed Project in Relation to the General Plan EIR and Subsequent Amendments

(a) Listed or Eligible Historical Resources. The General Plan EIR did not specifically evaluate impacts to Tribal cultural resources because it was not required by CEQA until the passage of Assembly Bill 52 (AB 52) in 2014, which requires consultation between lead agencies and Tribal representatives for projects within Tribal territory. However, the General Plan EIR found that implementation of General Plan policies and programs, including application of the California Historic Building Code and the City's Combining Historic Districts, the City's design review process, and referral of projects involving historic resources to the Historical and Landmarks Commission, would serve to minimize historic resources impacts. *The General Plan EIR further determined implementation of General Plan policies and existing programs would reduce the impact to cultural resources to less than significant with respect to Tribal*

Cultural Resources. There were no known tribal historical resources that were identified in the General Plan EIR.

Since the proposed project does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan including subsequent amendments related to specific plans or area plans, project impacts would be similar to the General Plan EIR and subsequent EIRs. *Impacts related to resources listed or eligible for listing in the California Register of Historical resources, or in a local register of historical resources as defined in Public Resources Code Section 5020.1(k) would be less than significant as a result of the proposed project.*

(b) Significant Tribal Resources. The General Plan EIR did not specifically evaluate impacts to Tribal cultural resources because it was not required by CEQA until the passage of Assembly Bill 52 (AB 52) in 2014, which requires consultation between lead agencies and Tribal representatives for projects within Tribal territory. In addition, the General Plan EIR found that the potential for project-level impacts to unidentified and unrecorded tribal cultural places remains moderate to high. It was also found that future excavation and grading activities could result in impacts to human remains. However, the General Plan EIR found that 2010-2035 General Plan includes a range of policies to ensure the protection of cultural resources and thus, impacts to cultural resources were found to be less than significant. *Therefore, the General Plan EIR determined impacts to cultural resources would be less than significant. Similarly, subsequent EIRs for the Patrick Henry Drive SP and the Freedom Circle FFA found that impacts would be less than significant with incorporation of mitigation measures. Therefore, subsequent EIRs have determined that this impact is less than significant and the following subsequent EIR mitigation measures will apply to the proposed Housing Element Update:*

- *Patrick Henry Drive SP – see mitigation measure 7-2*
- *Freedom Circle Drive- see mitigation measure 7-4*

Since the proposed project does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan including subsequent amendments related to specific plans or area plans, project impacts would be similar to the General Plan EIR and subsequent EIRs and would be less than significant (or less than significant with mitigation). Therefore, impacts to tribal cultural resources would not occur as a result of the proposed project. In addition, all future discretionary proposals will be subject to the current requirements of AB 52 (2014) and SB 18 (2004). *Therefore, impacts to tribal cultural resources would not occur as a result of the proposed project.*

Cumulative Impacts

The General Plan EIR did not specifically evaluate cumulative impacts related to Tribal cultural resources because it was not required by CEQA until the passage of Assembly Bill 52 (AB 52) in 2014, which requires consultation between lead agencies and Tribal representatives for projects within Tribal territory. However, the General Plan EIR found that Projects in the City and other cumulative projects would implement mitigation that avoids or substantially lessens potentially significant impacts to cultural resources, as required by State law. These mitigation strategies would typically involve pre-construction identification surveys; significance evaluations; consultation with tribal descendant communities; culturally and legally appropriate treatment of human remains; archaeological construction monitoring; resource documentation; and data recovery for unavoidable impacts. These mitigation strategies would generally avoid or substantially lessen the severity of impacts to tribal cultural resources. *Therefore, the General Plan EIR determined that the City's contribution to cumulative impacts associated with cultural resources is less than cumulatively considerable.*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan including subsequent amendments related to specific plans or area plans, project impacts would be similar to the General Plan EIR and subsequent EIRs. *Therefore, cumulative impacts to tribal cultural resources would be less than significant with incorporation of mitigation.*

Conclusion

The proposed Housing Element Update would not have a substantial adverse effect on any tribal cultural resource. The RHNA allocation described in the Housing Element Update would be within the amount of residential development analyzed within the General Plan EIR. Development of future housing would be subject to environmental review pursuant to CEQA, as well as AB 52 and SB 18 requirements upon application for entitlement permits. Projects found to be not exempt from CEQA would be subject to analysis and mitigation, if required. No new significant impacts and no substantial increase in the severity of previously identified impacts associated with the proposed Housing Element Update would occur. Likewise, there is no new information of substantial importance requiring new analysis or verification. The Housing Element Update does not propose substantial changes that require major revisions to the General Plan EIR, and no new mitigation measures are required. As such, no subsequent environmental analysis and no new mitigation are required.

Applicable General Plan EIR Mitigation Measures

No applicable General Plan EIR mitigation measures.

4.19 – Utilities and Service Systems

Would the project:

	Effect Examined in General Plan EIR?	Conclusion in General Plan EIR and Subsequent EIRs?	Proposed Changes Involving New or More Severe Impacts?	New Circumstances Involving New or More Severe Impacts?	New Information Showing New or More Severe Impacts?
a) Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?	No	Not Examined	No	No	No
b) Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?	Yes	Less than Significant Impact	No	No	No
c) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's Projected demand in addition to the provider's existing commitments?	Yes	Less than Significant Impact	No	No	No
d) Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?	Yes	Less than Significant with Mitigation Incorporated	No	No	No
e) Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?	Yes	Less than Significant with Mitigation Incorporated	No	No	No

Proposed Project in Relation to the General Plan EIR and Subsequent Amendments

(a) Utility Infrastructure. The General Plan EIR not specifically analyze impacts related to relocation or construction of storm water drainage, electric power, natural gas, or telecommunications facilities. *However, as shown in the responses below, the General Plan EIR found that impacts related to water and wastewater treatment facilities would be less than significant.* In addition, project impacts with respect to stormwater drainage, electric power, natural gas and telecommunications facilities would be no greater than those that would occur under the General Plan EIR (and Subsequent EIRs) because the proposed project does not include any changes to general plan land use designations, including changes that would increase the growth capacity of the General Plan. *Therefore, impacts to utility infrastructure from the proposed project would be less than significant and similar to impacts analyzed in the General Plan EIR and subsequent amendments.*

(b) Sufficient Water Supplies. The General Plan EIR noted that new development under the 2010-2035 General Plan would increase water demand within the City. However, it was also noted that the City's Water Utility had determined that there would be sufficient water supplies to provide service to the City for the 2010-2035 General Plan under normal and single critical dry year scenarios. In the event of a multiple dry year event and the loss of supply from SFPUC, the General Plan EIR found that there is a projected shortfall of 0.6 percent or 193 afy in the year 2035, and the City plans to meet future demand growth by pumping additional groundwater, relying on more recycled water, and increased conservation. Future pumping by the City of Santa Clara, in combination with the multiple other users of the Santa Clara Sub-Basin, would not be expected to contribute to cumulative groundwater pumping impacts, i.e., withdrawals above the basin's safe yield, given the Water District's reasonably foreseeable recharge and groundwater management programs. However, should the District's recharge program be affected by reduced availability of imported water, there is the potential for future cumulative groundwater basin demand to exceed the aquifer's safe yield. These impacts were considered potentially significant by the General Plan EIR. *However, with the application of Mitigation Measure 4.7-1 which address the potential for groundwater overdraft, the General Plan EIR determined that impacts to water supplies would be less than significant. Similarly, subsequent EIRs for the Patrick Henry Drive SP and the Freedom Circle FFA found that impacts would be less than significant with incorporation of mitigation measures. Therefore, the following subsequent EIR mitigation measures will apply to the proposed Housing Element Update:*

- *Patrick Henry Drive SP – see mitigation measure 18-1*
- *Freedom Circle Drive- see mitigation measure 18-5*

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan including subsequent amendments related to specific plans or area plans, project impacts would be similar to the General Plan EIR and subsequent EIRs. *Therefore, impacts to water supplies would be less than significant with incorporation of mitigation.*

(c) Wastewater Treatment Capacity. The General Plan EIR found that future projected wastewater flows would increase but remain within the City's allocation of capacity at the San Jose/Santa Clara Water Pollution Control Plant (WPCP), now called the "Regional Wastewater Facility" (RWF). It was also found that sanitary sewer conveyance capacity would need to be increased at select locations throughout the City to serve the increased wastewater flows from new development. The General Plan EIR noted that it is a City requirement that new industrial, commercial, and major residential development be reviewed to determine projected wastewater load and available sewer capacity before zoning approval or permits are approved and, to the extent that additional sewer collection system improvements may be identified as necessary to serve the development, such improvements will

become the responsibility of the project applicants. *Therefore, the General Plan EIR determined that impacts to wastewater services would be less than significant.*

The Freedom Circle EIR found that project wastewater would exceed the current combined wastewater capacity of the Northside and Rabello pump stations (46.1 million gallons per day or mgd) by 0.2 mgd (for a total of 46.3 mgd), which represents a *cumulative wastewater impact*. Therefore, the proposed Freedom Circle Focus Area Plan contribution to cumulative pump station capacity at the Northside and Rabello pump stations was determined to be a significant cumulative impact. *However, with implementation of Mitigation Measure 18-5 which, requires individual developments to make fair share contributions wastewater pump station improvements, potential impacts are less than significant.*

(d, e) Solid Waste Infrastructure/Regulations. The General Plan EIR noted that new development allowed under the General Plan would generate solid waste that can be accommodated under the existing landfill disposal contract through 2024. However, it was also noted that the City has no specific plan for disposing of solid waste beyond 2024, including waste generated by existing uses, but will undertake a process to identify a solution prior to 2024. Since no solution to this issue was identified when the EIR was certified this issue was considered significant. The City further determined that there were no feasible measures to reduce this impact and determined that the impacts were significant and unavoidable. Both the EIR and the findings adopting the EIR indicated that an expansion of the Newby Island landfill was being evaluated and that the City also owns property outside its jurisdiction that could potentially provide this service. In addition, Prerequisite Policy 5.1.1-P22^v requires the re-evaluation of landfill capacity. This assessment could also examine the City's progress on attaining recycling goals in order to evaluate whether there is a continuing long-term need for solid waste capacity. The City found this impact to be significant and unavoidable.

Since the proposed Housing Element Update does not include any changes to general plan land use designations or policies that would increase the growth capacity of the General Plan including subsequent EIRs related to specific plans or area plans, project impacts would be similar to the General Plan. *Therefore, impacts related to solid waste infrastructure from the proposed project would be significant and unavoidable.*

Cumulative Impacts

As discussed above the General Plan EIR found that there were potential cumulative impacts with respect to water supply and solid waste. *Potential impacts to water supply were determined to be less than significant with mitigation and potential impacts to solid waste capacity were determined to be significant, adverse and unavoidable.*

Conclusion

The proposed Housing Element Update would not have a substantial adverse effect on utilities and services. The RHNA allocation described in the Housing Element Update would be within the amount of residential development analyzed within the General Plan EIR and the EIR's for subsequent specific plans and area plans. Development of future housing would be subject to project-level environmental review pursuant to CEQA upon application for entitlement permits and would also be subject to existing mitigation measures. No new significant impacts and no substantial increase in the severity of previously

^v After the 2014 General Plan amendments, this policy was renumbered 5.5.1-P21, and directs the City to identify solid waste disposal facilities to serve development in Phase III of the General Plan.

identified impacts associated with the proposed Housing Element Update would occur. Likewise, there is no new information of substantial importance requiring new analysis or verification. The Housing Element Update does not propose substantial changes that require major revisions to the General Plan EIR, and no new mitigation measures are required. As such, no subsequent environmental analysis and no new mitigation are required.

Applicable General Plan EIR Mitigation Measures

MM 4.7-1: To prevent a cumulatively considerable contribution to a potential future overdraft of the Santa Clara Sub-Basin, the City shall update the forecast groundwater pumping supply quantities every five years with each UWMP to align water supply availability with the water demand associated with each General Plan Phase. Future Santa Clara UWMPs will be coordinated with the Water District and implement alternative sources (i.e., recycled water and increased conservation) if cumulative groundwater pumping, based on all water retailers UWMPs, would exceed the Santa Clara Sub-Basin safe yield. With implementation of this program mitigation measure, potential future impacts associated with supplying future development envisioned by the General Plan would be reduced to a less than significant level.

4.20 – Wildfire

If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:

	Effect Examined in General Plan EIR?	Conclusion in General Plan EIR and Subsequent EIRs?	Proposed Changes Involving New or More Severe Impacts?	New Circumstances Involving New or More Severe Impacts?	New Information Showing New or More Severe Impacts?
a) Substantially impair an adopted emergency response plan or emergency evacuation plan?	No	Not Examined	No	No	No
b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of wildfire?	No	Not Examined	No	No	No
c) Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities), that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?	No	Not Examined	No	No	No
d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?	No	Not Examined	No	No	No

Proposed Project in Relation to the General Plan EIR and Subsequent Amendments

Please note that none of the impacts in this section were evaluated in the General Plan EIR because this impact area was added to the Appendix G of the CEQA Guidelines in 2019 and thus post-dates the EIR. In addition, the Wildfire section of Appendix G applies only to areas within or near State responsibility areas or lands classified as very high fire hazard severity zones and these conditions do

not apply to the City of Santa Clara. The General Plan EIR also indicates that there are no wildfire hazards in the City of Santa Clara (See Page 409).

(a) Impairment of Emergency Plans. The General Plan EIR did not examine this potential impact. However, Section 4.13, Hazards, of the General Plan EIR found that there are no wildfire hazards in the City of Santa Clara, and further found that it would not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan. In addition, the proposed project will not result in any changes to general plan land use designations or circulation policies that could increase potential impacts beyond those analyzed in the General Plan EIR. *Therefore, the proposed project would not substantially impair an adopted emergency response plan or emergency evacuation plan.*

(b) Pollutant Concentrations from Wildfire. The General Plan EIR did not examine this potential impact. *However, Section 4.13, Hazards, of the General Plan EIR found that there are no wildfire hazards in the City of Santa Clara. In addition, the City is predominantly flat with no areas with steep slopes or wildland interface areas. Therefore, the proposed project would not expose persons to pollutant concentrations from a wildfire or the uncontrolled spread of wildfire.*

(c) Installation or Maintenance of Associated Infrastructure. The General Plan EIR did not examine this potential impact. *However, Section 4.13, Hazards, of the General Plan EIR found that there are no wildfire hazards in the City of Santa Clara and the City is not within or near a Very High Fire Hazard Severity Zone. The City has been largely built out and the necessary infrastructure is in place to support the proposed project. Project roadways would connect to the existing roadway system in the area and utility connections would be made for sewer and electric services. No wildlands exist in the vicinity of the project site, and the development of the site would not result in any hazards related to wildland fires. The project would not require the installation or maintenance of associated infrastructure that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment. Therefore, impacts related to installation or maintenance of associated infrastructure would be less than significant.*

(d) Post-Fire Slope Instability or Drainage Changes. The General Plan EIR did not examine this potential impact. *However, Section 4.13, Hazards, of the General Plan EIR found that there are no wildfire hazards in the City of Santa Clara. The City is not located within or near a Very High Fire Hazard Severity Zone and is relatively flat. Because no wildlands exist in the vicinity of the City, the project would not expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes. Development of the proposed project would comply with the California Uniform Building Code for grading and drainage. Therefore, impacts related to post-fire slope instability or drainage changes would be less than significant.*

Cumulative Impacts

The General Plan EIR did not examine potential cumulative wildfire impacts. *However, Section 4.13, Hazards, of the General Plan EIR found that there are no wildfire hazards in the City of Santa Clara and the City is not within or near a Very High Fire Hazard Zone. Therefore, the proposed project would not result in cumulative wildfire impacts.*

Conclusion

The proposed Housing Element Update would not have a substantial adverse effect with respect to Wildfire as the City is not within or near a state responsibility area or Very High Fire Hazard Zone, built out, predominantly flat and does not contain areas that are within a wildland/urban interface. Likewise,

there is no new information of substantial importance requiring new analysis or verification. The Housing Element Update does not propose substantial changes that require major revisions to the General Plan EIR, and no new mitigation measures are required. As such, no subsequent environmental analysis and no new mitigation is required.

Applicable General Plan EIR Mitigation Measures

No applicable General Plan EIR mitigation measures.

4.21 – Mandatory Findings of Significance

	Effect Examined in General Plan EIR?	Conclusion in General Plan EIR and Subsequent EIRs?	Proposed Changes Involving New or More Severe Impacts?	New Circumstances Involving New or More Severe Impacts?	New Information Showing New or More Severe Impacts?
a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	Yes	Less than Significant with Mitigation Incorporated	No	No	No
b) Does the project have impacts that are individually limited, but cumulatively considerable?	Yes	Significant and Unavoidable	No	No	No
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	Yes	Less than Significant Impact	No	No	No

Proposed Project in Relation to the General Plan EIR and Subsequent Amendments

(a) Significant Biological or Cultural Impacts. The results of the preceding analysis indicate that the proposed Housing Element Update will have less than significant impacts to sensitive biological, historical, archaeological, and paleontological resources with incorporation of mitigation. Impacts to scenic vistas, scenic resources, and visual character will be less than significant. Considering the programmatic level of analysis will not authorize any development plan, redevelopment of any existing sites, or construction of new infrastructure, and will not change existing City land use policy regarding locations or intensities of development, and it will not result in any effects that would degrade the quality of the environment beyond such impacts already analyzed in the General Plan EIR and subsequent Specific Plan EIR's. *Therefore, the City finds that impacts related to degradation of the environment will be less than significant and no new mitigation is required.*

(b) Cumulative Impacts. Cumulative effects resulting from full implementation of City land use policies were evaluated in the General Plan EIR and subsequent Specific Plan EIR's. The proposed Housing

Element Update will not change any of these policies and does not propose any specific development or redevelopment project that could contribute to short-term or long-term cumulative impacts that were not addressed sufficiently in the General Plan EIR and subsequent Specific Plan EIR's. The proposed Housing Element Update does not include any changes to land use designations and thus is consistent with the project analyzed in the General Plan EIR and subsequent EIRs. The City hereby finds that the proposed Housing Element Update's individual contribution to potentially significant cumulative impacts is not considerable and no additional mitigation is required.

(c) Substantial Adverse Effects on Human Beings. As supported by the preceding environmental evaluation, the proposed Housing Element Update will not result in substantial adverse effects on human beings. It has been determined through analysis supported by substantial evidence that the proposed Housing Element Update has been determined to have little or no adverse impacts on people or the environment as evaluated in the 20 preceding environmental topics. The City hereby finds that direct and indirect impacts on human beings will be less than significant and no additional mitigation is required.

This Page Intentionally Left Blank.

5 Applicable General Plan EIR Mitigation Measures

The following General Plan EIR mitigation measures are applicable to the proposed Housing Element Update:

AIR QUALITY

MM 4.10-1: Policy 5.1.1-P25 should be added to the Prerequisite section as follows:

Policy 5.1.1-P25: Prior to the implementation of Phase II,^{vi} the City will include a Community Risk Reduction Plan (CRRP) for acceptable TAC concentrations consistent with the BAAQMD CEQA Guidelines, including risk and exposure reduction targets, measures to reduce emissions, monitoring procedures, and a public participation process.

Policy 5.10.5-P34 should be added to the Safety section as follows:

Policy 5.10.5-P34: Include minimum setbacks of 500 feet for roadways with average daily trips of 100,000 or more and 100 feet for railroad tracks for new residential or other uses with sensitive receptors, unless a project-specific study identifies measures such as, site design, tiered landscaping, air filtration systems, windows design to reduce exposure, demonstrating that the potential risks can be reduced to acceptable levels.

MM 4.10-2: Policy 5.10.5-P35 should be added to the Safety section as follows:

Policy 5.10.5-P35: Establish minimum buffers between odor sources and new residential or other uses with sensitive receptors, consistent with the BAAQMD guidelines, unless a project-specific study demonstrates that these risks can be reduced to acceptable levels.

BIOLOGICAL RESOURCES

MM 4.9-1: Congdon's Tarplant Program Mitigation: On parcels with ruderal grasslands, surveys will be conducted prior to future development to document the presence/absence of Congdon's tarplant. In the event the species is present, the project design will incorporate an adequate buffer, as determined by a qualified biologist, to ensure the Congdon's tarplant is not threatened by development.

MM 4.9-2: Burrowing Owl Program Mitigation: Future development on parcels with ruderal grasslands will include the following standard measures to reduce potential WBO impacts to a less than significant level:

1. Determine Burrowing Owl Presence

^{vi} Note that Policy 5.1.1-P25 was modified as part of the 2014 General Plan Update, which was adopted with a MND. As modified, the Policy now directs the preparation of the CRRP prior to implementation of Phase III, rather than Phase II

a. Breeding Season Surveys

Standardized surveys are necessary to determine presence (or presumed absence) of burrowing owls for the purposes of inventory, monitoring, avoidance of take, and determining appropriate mitigation. In California the breeding season begins as early as February 1 and continues through August 31. The California Burrowing Owl Consortium (Consortium) survey protocol specifies a multi-phase approach, which is recommended in order to adequately evaluate burrowing owl use of an area and to inform the CEQA process. The Department recommends that the Consortium survey protocol for breeding season surveys be adhered to (4 survey visits spread evenly (roughly every 3 weeks) during the peak of the breeding season, from April 15-July 15) The habitat assessment, intensive burrow surveys and burrowing owl surveys should include the area within 150 meters of the project boundaries (approximately 500 feet).

b. Non-Breeding Season Surveys (Including Winter)

Surveys during the non-breeding season (September 1- January 31) are recommended by the Department but are not generally required because burrowing owls are much more difficult to detect during the non-breeding season, and the number or type of surveys that would be needed to detect presence then has not been studied or quantified. Negative results during any nonbreeding season surveys are not conclusive proof that owls do not use the site. Because of this complication, the DFG recommends breeding season surveys as the first step, but project applicants should consult with the Department if burrowing owls have been documented on the project site during the non-breeding season.

2. Avoid Impacts (destruction, disturbance) to Individual Owls

d. Pre-Construction Surveys for Owl Presence

Pre-construction surveys (usually initiated during the non-breeding season) are necessary for assessing owl presence at a site within a short time period before site modification is scheduled to begin. Pre-construction surveys are supplemental to the existing breeding season survey protocol (4 survey visits spread evenly during the peak of the breeding season, from April 15- July 15). Initial pre-construction surveys should be conducted no more than 30 days prior to ground-disturbing activities (for example, diking, clearing, grubbing, grading). Generally, at a minimum, 4 survey visits on at least 4 separate days will be necessary, The time lapse between surveys and site disturbance should be as short as possible and will be determined by DFG based on specific project conditions but generally should not exceed 7 days. Additional surveys are necessary when the initial disturbance is followed by periods of inactivity or the development is phased spatially and/or temporally over the project area. Biologists conducting pre-construction surveys should expend enough effort, based on the above criteria, to assure with a high degree of certainty that take of owls will not occur once site modification and grading activities begin. The report should be submitted to the DFG for review.

e. Buffer Zones Around Occupied Burrows (Year-Round)

Buffer zones to protect burrowing owls from direct disturbance should be implemented pursuant to the Consortium Guidelines and the Department's Staff Report (1995).

Generally, the buffers recommended in these reports for protecting burrowing owls from disturbance is 75 meters (250 feet) from occupied burrows during the breeding season and 50 meters (160 feet) from occupied burrows during the non-breeding season. Consultation with the Department may result in site-specific buffer specifications, on a case-by-case basis.

f. Passive Relocation

If construction will directly impact occupied burrows, eviction of owls should occur outside the nesting season to prevent injury or mortality of individual owls. No burrowing owls will be evicted from burrows during the nesting season (1 February through 31 August) unless evidence indicates that nesting is not actively occurring (e.g., because the owls have not yet begun nesting early in the season, or because young have already fledged late in the season). Relocation of owls during the non-breeding season will be performed by a qualified biologist using one-way doors, which should be installed in all burrows within the impact area and left in place for at least two nights. These one-way doors will then be removed and the burrows backfilled immediately prior to the initiation of grading. Furthermore, should the Valley HCP, once adopted, include a regional WBO mitigation program that would be available to future projects in Santa Clara, future projects may have a feasible option to mitigate for their individual impacts to loss of WBO foraging and/or nesting habitat by participating in the Valley HCP's program.

NOISE

- MM 4.14-1:** Use the Federal Transit Administration vibration impact criteria, as described above under the Regulatory Setting, to evaluate the land use compatibility of sensitive uses proposed along the railroad/light-rail corridor using the best available information (e.g., High Speed Rail Program EIR) or site-specific measurements and analyses (assuming active railroad operations). Developers of sensitive uses shall demonstrate that potential impacts of existing or potential vibration have been minimized to the maximum feasible extent.
- MM 4.14-2:** Case studies have shown that the replacement of dense grade asphalt (standard type) with open-grade or rubberized asphalt can reduce traffic noise levels along local roadways by 2 to 3 dBA CNEL. A possible noise reduction of 2 dBA would be expected using conservative engineering assumptions, and future traffic noise increases could be mitigated to a less than significant level by repaving roadways with “quieter pavements.” To be a permanent mitigation, subsequent repaving would also have to use “quieter” pavements. Existing residential receivers located along Tasman Drive between Lafayette Street and the easternmost City limits either front the roadway (private outdoor use areas are located behind the homes) or have outdoor use areas adjacent to the roadway that may or may not be shielded by fences or noise barriers. In situations where private outdoor use areas are located adjacent to the roadway, new or larger noise barriers could be constructed to provide the additional necessary noise attenuation in private use areas. Typically, increasing the height of an existing barrier results in approximately one dBA of attenuation per one foot of additional barrier height. The design of such noise barriers would require additional analysis. Traffic calming could also be implemented to reduce noise levels expected with the project. Each five mph reduction in average speed provides approximately one dBA of noise reduction on an average basis (Leq/CNEL). Traffic calming measures that regulate speed improve the noise environment by smoothing out noise levels. Residences could also be provided

with sound insulation treatments if further study finds that interior noise levels within the affected residential units would exceed 45 dBA CNEL as a result of the projected increase in traffic noise. Treatments to the homes may include the replacement of existing windows and doors with sound-rated windows and doors and the provision of a suitable form of forced-air mechanical ventilation to allow the occupants the option of controlling noise by closing the windows. The specific treatments for each affected residential unit would be identified on a case-by-case basis.

- MM 4.14-3:** Develop construction noise control plans that consider the following available controls in order to reduce construction noise levels as low as practical: Utilize 'quiet' models of air compressors and other stationary noise sources where technology exists; Equip all internal combustion engine-driven equipment with mufflers, which are in good condition and appropriate for the equipment; Locate all stationary noise-generating equipment, such as air compressors and portable power generators, as far away as possible from adjacent land uses; Locate staging areas and construction material areas as far away as possible from adjacent land uses; Prohibit all unnecessary idling of internal combustion engines; Notify all adjacent land uses of the construction schedule in writing; Designate a "disturbance coordinator" who would be responsible for responding to any local complaints about construction noise. The disturbance coordinator will determine the cause of the noise complaint (e.g., starting too early, bad muffler, etc.) and will require that reasonable measures warranted to correct the problem be implemented. Conspicuously post a telephone number for the disturbance coordinator at the construction site and include it in the notice sent to neighbors regarding the construction schedule.

TRANSPORTATION

- MM 4.12-1:** **Adopt Prerequisite Policy 5.1.1-P5.** Prior to the implementation of Phase II^{vii} and III of the 2010-2035 General Plan, evaluate appropriate measures to maintain emergency response time standards.

UTILITIES AND SERVICE SYSTEMS

- MM 4.7-1:** To prevent a cumulatively considerable contribution to a potential future overdraft of the Santa Clara Sub-Basin, the City shall update the forecast groundwater pumping supply quantities every five years with each UWMP to align water supply availability with the water demand associated with each General Plan Phase. Future Santa Clara UWMPs will be coordinated with the Water District and implement alternative sources (i.e., recycled water and increased conservation) if cumulative groundwater pumping, based on all water retailers UWMPs, would exceed the Santa Clara Sub-Basin safe yield. With implementation of this program mitigation measure, potential future impacts associated with supplying future development envisioned by the General Plan would be reduced to a less than significant level.

^{vii} Note that Policy 5.1.1-P5 was modified as part of the 2014 General Plan Update, which was adopted with a MND. As modified, the Policy now directs the evaluation of appropriate measures to maintain emergency response time standards prior to the implementation of Phase III, rather than Phases II and III.

6.1 – List of Preparers

City of Santa Clara (Lead Agency)

Planning Division
1500 Warburton Avenue
Santa Clara, California 95050
(408) 615-2478

- John Davidson, Principal Planner

MIG (Environmental Analysis)

1650 Spruce Street, Suite 106
Riverside, California 92507
951-787-9222

- Pamela Steele, Principal
- Bob Prasse, Director of Environmental Services
- Cameron Hile, Senior Analyst

6.2 – Persons and Organizations Consulted

None.

6.3 – Bibliography

California Department of Conservation. Farmland Mapping and Monitoring Program. Web: <https://www.conservation.ca.gov/dlrp/fmmp>. [Accessed November 2022].

California Department of Forestry and Fire Protection (CAL FIRE). Ventura County Fire Hazard Severity Zone Maps. Web: <https://egis.fire.ca.gov/FHSZ/>. [Accessed November 2022].

California Department of Transportation (Caltrans). California State Scenic Highways Maps. Web: <https://dot.ca.gov/programs/design/lap-landscape-architecture-and-community-livability/lap-liv-i-scenic-highways>. [Accessed November 2022].

California Environmental Protection Agency. DTSC's Hazardous Waste and Substances Site List (Cortese List). Web: <https://calepa.ca.gov/sitecleanup/corteselist/>. [Accessed December 2022].

California Environmental Protection Agency. List of Active CDO and CAO. Web: <http://www.calepa.ca.gov/sitecleanup/corteselist/>. [Accessed December 2022].

California Environmental Protection Agency. List of Hazardous Waste Facilities Subject to Corrective Action Pursuant to Section 25187.5 of the Health and Safety Code. Web: <http://www.calepa.ca.gov/sitecleanup/corteselist/>. [Accessed December 2022].

CalRecycle. Identify Disposal Facility Capacity Shortfalls. <http://www.calrecycle.ca.gov/FacIT/facility/disposalgap.aspx> [Accessed December 2022].

California Water Resources Control Board. Geotracker. Web: <https://geotracker.waterboards.ca.gov/>. [Accessed December 2022].

California Water Resources Control Board. List of Solid Waste Disposal Sites. Web: <https://calepa.ca.gov/sitecleanup/corteselist/>. [Accessed December 2022].

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA
THE CITY OF SANTA CLARA, CALIFORNIA ADOPTING A
GENERAL PLAN AMENDMENT TO UPDATE THE HOUSING
ELEMENT OF THE GENERAL PLAN FOR THE PERIOD OF 2023-
2031 WITH REVISIONS RESPONDING TO REQUESTS FROM THE
STATE DEPARTMENT OF HOUSING AND COMMUNITY
DEVELOPMENT**

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, the California legislature has found that “California has a housing supply and affordability crisis of historic proportions. The consequences of failing to effectively and aggressively confront this crisis are hurting millions of Californians, robbing future generations of the chance to call California home, stifling economic opportunities for workers and businesses, worsening poverty and homelessness, and undermining the state’s environmental and climate objectives.” (Gov. Code Section 65589.5.); and

WHEREAS, the legislature has further found that “Among the consequences of those actions are discrimination against low-income and minority households, lack of housing to support employment growth, imbalance in jobs and housing, reduced mobility, urban sprawl, excessive commuting, and air quality deterioration.” (Gov. Code Section 65589.5.); and

WHEREAS, the legislature recently adopted the Housing Crisis Act of 2019 (SB 330) which states that “In 2018, California ranked 49th out of the 50 states in housing units per capita... California needs an estimated 180,000 additional homes annually to keep up with population growth, and the Governor has called for 3.5 million new homes to be built over 7 years”; and

WHEREAS, State Housing Element Law (Government Code Sections 65580 et seq.) requires that the City Council adopt a Housing Element for the eight-year period 2023-2031 to accommodate the City of Santa Clara (City) regional housing need allocation (RHNA) of 11,632 housing units, comprised of 2,872 very-low income units, 1,653 low-income units, 1,981 moderate-income units, and 5,126 above moderate-income units; and

WHEREAS, to comply with State Housing Element Law, the City of Santa Clara has prepared its Housing Element Update for the years 2023-2031 (the Housing Element); and

WHEREAS, as provided in Government Code Section 65350 et. seq., the Housing Element constitutes a General Plan Amendment; and

WHEREAS, as provided in Government Code Sections 65352 – 65352.5, the City of Santa Clara referred the Housing Element to all California Native American tribes on the contact list provided by the Native American Heritage Commission, to cities abutting Santa Clara's borders and to Santa Clara County; to local school districts; to the Santa Clara Valley Water District and San Francisco Public Utilities Commission; and to other entities listed; and

WHEREAS, no California Native American tribe requested consultation; and

WHEREAS, State law requires that the City take meaningful steps to promote and affirmatively further fair housing (Gov. Code Section 65583(c)(5)); and

WHEREAS, State law requires that the City make zoning available for all types of housing, including multifamily housing (Gov. Code Sections 65583.2 and 65583(c)); and

WHEREAS, the Housing Element must be adopted to comply with State law, accommodate the RHNA, affirmatively further fair housing, and facilitate and encourage a variety of housing types for all income levels, including multifamily housing (Gov. Code Sections 65583.2 and 65583(c)); and

WHEREAS, the preparation, adoption, and implementation of the Housing Element and Zoning Code Update requires a diligent effort to include all economic segments of the community; and

WHEREAS, the City conducted extensive community outreach over the last 20 months, including 27 meetings and activities that included community meetings/events, stakeholder workshops, meetings/interviews with residents, and City task force meetings and study sessions; and

WHEREAS, in accordance with Government Code Section 65585 (b), on July 1, 2022, the City posted a Public Review Draft Housing Element and requested public comment for a 30-day review period, and on August 22, 2022, after responding to public comments, the City submitted the draft

Housing Element to the State Department of Housing and Community Development (HCD) for its review; and

WHEREAS, on October 12, 2022, HCD and City staff had an introductory meeting, which included an informal conversation and feedback from HCD about the City's Initial Draft Housing Element; and

WHEREAS, on November 18, 2022, the City received a letter from HCD stating that while the draft Housing Element addresses many statutory requirements, revisions will be necessary to fully comply with State Housing Element Law (Article 10.6 of the Government Code); and

WHEREAS, on November 29, 2022, HCD and City staff had a meeting to discuss HCD's findings letter; and

WHEREAS, on January 24, 2023, the City published a revised draft Housing Element with the changes required by HCD and requested public comment on the draft; and

WHEREAS, a notice of the public hearing on the proposed General Plan Amendment was published in the Santa Clara Weekly, a newspaper of general circulation for the City, on December 11, 2022, for the January 11, 2023 Planning Commission meeting and the January 31, 2023 City Council meeting; and

WHEREAS, on January 11, 2023, the Planning Commission opened the public hearing to consider the proposed General Plan Amendment, and then continued the hearing to January 23, 2023; and

WHEREAS, on January 23, 2023, the Planning Commission opened the public hearing to consider the proposed General Plan Amendment, and then due to technical difficulties continued the hearing to January 26, 2023; and

WHEREAS, the City has prepared an Addendum to the 2010-2035 General Plan Environmental Impact Report adopted by the City Council on November 16, 2010, and to the environmental review documents that were prepared for subsequent amendments to the General Plan that affected housing development in the City, all of which provide environmental clearance for all of the units in the 6th cycle Housing Sites Inventory; and

WHEREAS, the Planning Commission held a duly noticed public hearing on January 26, 2023, at the conclusion of which, the Planning Commission determined that the proposed 6th Cycle Housing Element would not result in any new or substantially more severe impacts than previously identified in the General Plan EIR and recommended that the City Council approve the Addendum to the 2010 - 2035 General Plan EIR prepared for the Housing Element Update; and

WHEREAS, on January 26, 2023, the Planning Commission conducted a duly and properly noticed public hearing, reviewed the Housing Element and all pertinent maps, documents and exhibits, including HCD's findings, the City's response to HCD's findings, the staff report and all attachments, and oral and written public comments; and

WHEREAS, on January 26, 2023, the Planning Commission adopted Resolution No. 23-003, recommending the City Council adopt a General Plan Amendment to update the Housing Element of the General Plan for the period of 2023-2031; and

WHEREAS, on January 31, 2023, the City Council adopted Resolution No. 23-9188, adopting an Addendum to the General Plan Environmental Impact Report, for adoption of the 6th Cycle Housing Element (2023-2031); and

WHEREAS, on January 31, 2023, the City Council adopted Resolution No. 23-9189, adopting a General Plan Amendment to update the Housing Element of the General Plan for the period of 2023-2031 to comply with State Housing Element law; and

WHEREAS, on March 28, 2023, HCD provided the City its findings on the City's Adopted Housing Element, requesting additional updates to the document, and in response, the Housing Element has been further revised to address HCD's comments; and

WHEREAS, on April 20, 2023, HCD and City staff had a meeting to discuss HCD's findings letter; and

WHEREAS, a notice of the public hearing on the proposed General Plan Amendment was published in the Santa Clara Weekly, a newspaper of general circulation for the City, on May 10, 2023, for the May 24, 2023 Planning Commission meeting and the June 6, 2023 City Council meeting; and

WHEREAS, on May 24, 2023, the Planning Commission opened the public hearing to consider the proposed General Plan Amendment, and then continued the hearing to June 14, 2023; and

WHEREAS, on June 2, 2023, HCD and City staff had an additional meeting to discuss the City's proposed revisions to address HCD's findings letter; and

WHEREAS, on June 7, 2023, the City published a draft of the revisions to the Adopted Housing Element with the changes requested by HCD, and solicited additional public comment on the draft; and

WHEREAS, the Planning Commission held a duly noticed public hearing on June 14, 2023, at the conclusion of which, the Planning Commission determined that the proposed revisions to the previously adopted 6th Cycle Housing Element would not result in any new or substantially more severe impacts than previously identified in the General Plan EIR, as addended; and

WHEREAS, there are no new policies proposed by the Housing Element Update that would generate new or substantially more significant environmental impacts; moreover, the revised inventory identifies slightly fewer sites than in the Housing Element adopted in January 2023, and so any impacts are likely to be slightly reduced. As such, the General Plan EIR and Addendum remain sufficient for the environmental analysis of the proposed Housing Element; and

WHEREAS, on June 14, 2023, the Planning Commission conducted a duly and properly noticed public hearing, reviewed the revisions to the previously adopted 6th Cycle Housing Element and all pertinent maps, documents and exhibits, including HCD's findings, the City's response to HCD's findings, the staff report and all attachments, and oral and written public comments, and recommended that the City Council adopt the revised 6th Cycle Housing Element; and

WHEREAS, on June 27, 2023, the City Council conducted a duly noticed public meeting to review the revisions to the previously adopted 6th Cycle Housing Element and all pertinent maps, documents and exhibits, including HCD's findings, the City's response to HCD's findings, the staff report and all attachments, and to take public testimony on the subject.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. The foregoing recitals are true and correct and are incorporated by reference into this action.
2. General Plan Amendment Findings. That the City Council hereby finds and determines that the General Plan Amendment is in the interest of the public good for the following reasons:
 - A. The proposed Amendment is deemed to be in the public interest, in that the proposed Amendment is consistent and compatible with the rest of the City's General Plan and any implementation programs that may be affected, in that the Housing Element is consistent with the General Plan's Land Use and Circulation policies, and does not increase development capacity under the General Plan, as amended.
 - B. The proposed amendment has been processed in accordance with the applicable provisions of the California Government Code and the California Environmental Quality Act (CEQA), in that the impacts of the Housing Element are disclosed by the General Plan EIR as addended by subsequent amendments to the General Plan that affected housing development in the City, including but not limited to the December 2013 Climate Action Plan Negative Declaration; the February 2016 Mission Town Center EIR; the 2016 Related Santa Clara EIR; the November 2016 Lawrence Station Area Plan EIR; the July 2018 575 Benton Project Addendum; the July 2019 Gateway Crossings EIR; the March 2022 Patrick Henry Drive Specific Plan EIR; the June 2022 Climate Action Plan Addendum; and the June 2022 Freedom Circle Future Focus Area EIR (collectively, the "Subsequent Documents").
 - C. The potential impacts of the proposed General Plan Amendment have been assessed and have been determined not to be detrimental to the public health, safety, or welfare, in that the Housing Element creates a policy framework that

provides opportunities for the development of housing in the City through the year 2031. The impacts of the Housing Element have been disclosed through the CEQA process, and the Planning Commission has determined that any impacts from the Housing Element are within the scope of the General Plan EIR, as addended.

3. The City Council finds, based on substantial evidence in the record, that the existing uses on sites contained within the Sites Inventory are likely to be discontinued during the planning period and therefore will not impede planned residential development and can be utilized toward demonstrating adequate sites to accommodate the RHNA during the planning period. That substantial evidence includes:

- A. A letter from the Eric Morley, Planning Consultant for the Pearlman Family, owners of the Pearlman site located at 4633-4699 Old Ironsides Drive, dated April 24, 2023 indicating the Pearlmans' participation in the Patrick Henry Drive Specific Plan process, and their continued interest in developing residential uses on the property within the timeframe of the Housing Element;
- B. A phone conversation between Andrew Crabtree, Community Development Director, and Peter Tsai of Sobrato on April 25, 2023 regarding The Sobrato Organization's continuing interest in developing residential uses on the Thermo Fisher site (3450 Central Expressway) within the Lawrence Station Area. The existing industrial building tenant has a buy-out in their lease that would allow for the residential development to move forward at any time in the next 8 years.
- C. Evidence from the Marriott Center Owners Association changing their CC&R's to make redevelopment easier on their site (4701 Patrick Henry Drive), within the Patrick Henry Drive Specific plan area (RTC20-1051, approved by the City Council on November 17, 2020);

- D. The continued, sustained interest in development along the El Camino corridor as evidenced by the following approved residential projects under construction along the corridor: Villa Bella, located at 1890 El Camino Real (56 residential units, File No. PLN2015-11361), 3035 El Camino Real (48 total units, File No. PLN2018-13265); and Clara Gardens (120 units, all affordable, File No. PLN21-15294). This sustained interest in development along the El Camino will be facilitated by rezoning of the El Camino corridor as a result of the Zoning Code Update.
- E. Continued interest in development in the Tasman East Specific Plan area, as evidenced by development applications totaling more than 4,300 units out of the 4,500 approved in the original specific plan. The City is currently processing a Specific Plan Amendment for Tasman East to allow for the development of 1,500 additional units within the plan area.
- F. Regular, consistent participation on a monthly basis by 11 separate ownership groups during the preparation of the Patrick Henry Drive Specific Plan. Those groups represent 100% of the Patrick Henry Drive parcels included in the Sites and Pipeline Projects inventory of the 6th Cycle Housing Element Update.

4. The City Council approves the 6th Cycle Housing Element Update (2023-2031) in its entirety as provided in Attachment 1, attached hereto, plus any non-substantive edits or corrections made as directed by the State Department of Housing and Community Development after their review of the adopted 2023-2031 Housing Element or Addendum to the 2010 General Plan Update EIR.

\\

\\

\\

\\

\\

\\

\\

\\

\\

5. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED
AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING
THEREOF HELD ON THE 27th DAY OF JUNE, 2023, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: _____
NORA PIMENTEL, MMC
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference:

1. 2023-2031 Housing Element

S:\Attorney\RESOLUTIONS\Form Resolution-City.doc



Agenda Report

23-808

Agenda Date: 6/27/2023

REPORT TO COUNCIL

SUBJECT

Note and File the Resolutions of the Salary Setting Commission Establishing as Unchanged the Salary for the positions of Mayor and Council and City Clerk, and increasing the Salary for the Position of Police Chief to \$345,060/annually; and Action to Adopt a Resolution Approving and Adopting the Updated Unclassified/Elected Salary Plan for the position of Police Chief for the Period of July 1, 2023 through June 30, 2025 (DEFFERED FROM JUNE 6, 2023)

COUNCIL PILLAR

Enhance Communication Engagement and Transparency

BACKGROUND

The Salary Setting Commission, consisting of five members appointed by the Civil Service Commission is responsible for establishing the compensation for the Mayor and Council Members (Charter Section 702), City Clerk (SCCC 2.20.015), and Police Chief (SCCC 2.80.015). For 2023, three Commissioners attended all scheduled meetings. A fourth Commissioner was appointed by the Civil Service Commission in April but did not attend the two remaining sessions.

In its evaluation, the Salary Setting Commission would be free to utilize any data and information that it deemed appropriate in setting the compensation for these positions, but in no event would any increases in salary granted by the Commission exceed 10 percent of the previous figure. After completing its discussion and analysis, the Commission adopted Resolutions holding unchanged the salaries of Mayor and Councilmember, and City Clerk. The Commission increased the salary for the position of Chief of Police by 10%, but held benefits associated with the position unchanged.

When there are changes to the compensation, California Code Regulations Section 570.5 governs and requires the adoption of updated publicly available salary schedules by the governing body.

The City of Santa Clara contracts with the California Public Employees' Retirement System (CalPERS) to provide retirement benefits for employees in both classified and unclassified positions. When modifications are made to the salary schedules for its classified or unclassified positions, the City Council must approve and adopt the publicly available salary plans to comply with California Code of Regulations (CCR) section 570.5. If the City Council does not approve these resolutions, the City will be non-compliant with CalPERS record keeping and reporting requirements. The City of Santa Clara is a contracting agency with CalPERS and is required to comply with its requirements.

As an elected department head, not subject to the Meyers-Milias-Brown Act, the Police Chief qualifies as a "local agency executive" under Government Code §3511.1. Government Code §54953 (c)(3) requires that before taking final action (in this case, to approve the updated salary schedules) there shall be an oral report provided of the new compensation level.

DISCUSSION

The Commission met on seven (7) occasions from February 2023, through May 2023, to discuss the salaries for the position of Mayor and Council Members, City Clerk and Police Chief for the period of July 1, 2023, up to and including June 30, 2025. As part of this evaluation, the Commission was presented with information including, but not limited to: the history of salary increases for these positions; comparator agency salary levels; requirements for the position of the City Clerk and Police Chief under the City Charter; recently negotiated agreements the City's bargaining units, and City budget projections. Upon thorough review and consideration of the various data, the Commission approved three resolutions.

- 1) On March 13, 2023, the Commission approved a resolution to leave the current salary of the Mayor and Council Members unchanged for the period of July 1, 2023, up to and including June 30, 2025. The salary for the Mayor shall remain at \$2,500/month and the salary for the Council Members shall remain at \$2,000/month.
- 2) On March 29, 2023, the Commission approved to leave the current salary of \$1,500/month for the City Clerk unchanged, for the period of July 1, 2023, up to and including June 30, 2025.
- 3) On May 8, 2023, the Commission approved for the period of July 1, 2023, to June 30, 2025, to increase the monthly salary for the position of Police Chief from \$26,141.00/monthly (\$313,692/annually) to \$28,755.00/monthly (\$345,060/annually), a 10% increase; continue to provide benefits equivalent to those currently received by members of the Unclassified Police Management (Unit 9A) under the Memorandum of Understanding set to expire on December 25, 2023; and continue to freeze any accrued leave balances held by the Police Chief (i.e. shall neither accrue increase in leave balances, nor be subject to decreases in those balances, during his/her term of elected office).

The City Code allocates the right and responsibility for reaching this decision to the Salary Setting Commission. The City Council does not have the legal authority to overturn or modify this decision. However, the City Code does state that "The City Council shall take all necessary legislative action to implement the salary set by the Salary Setting Commission." In accordance with CalPERS regulations, the adoption of an updated salary schedule is a necessary legislative action.

The recommendation includes to note and file the Commission's Resolutions, and separately approve a Resolution that amends the Unclassified/Elected Salary Plan for the position of Police Chief.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

FISCAL IMPACT

Maintaining the current salaries for the positions of Mayor and Council, and City Clerk results in no cost increase and no additional increase to the costs included in the Biennial FY 2023/24 and FY 2024/25 Proposed Operating Budget. For the Police Chief position, the total compensation cost of the 10% increase is approximately \$50,000 annually; this amount is approximately \$16,000 higher than assumed in the Proposed Budget. It is anticipated that this additional cost will be absorbed within the Police Department budget.

COORDINATION

This report has been coordinated with the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>>.

RECOMMENDATION

1. Note and file the Resolutions of the Salary Setting Commission establishing the salary for the positions of Mayor and Council, Police Chief, and City Clerk; and
2. Adopt a Resolution to approve the revised Unclassified/Elected Salary Plan for the position of Police Chief, which reflects the salary increase granted by the Salary Setting Commission, to satisfy the requirements of California Code of Regulations Section 570.5, effective July 1, 2023.

Reviewed by: Aracely Azevedo, Director of Human Resources

Approved by: Jōvan D. Grogan, City Manager

ATTACHMENTS

1. Police Chief Total Compensation Survey
2. Resolution No. 23-1 of the Salary Setting Commission Setting the Compensation of the Mayor and Council Members
3. Resolution No. 23-2 of the Salary Setting Commission Setting the Compensation of the City Clerk
4. Resolution No. 23-3 of the Salary Setting Commission Setting the Compensation of the Chief of Police
5. Unclassified_Elected Salary Plan (effective 7-1-2023) approved 6-6-2023
6. Resolution Updated Salary Plan

Total Compensation Survey
Police Chief
(2023)

Police Chief Agency	Top Step Salary	Insurance (Family)					Social Security Medicare (Base Pay Only)	(Classic)		Deferred Comp	Auto Allow.	Prof. Devel.	POST Pay (%) (Adv.)	POST pay (\$) (Adv.)	Uniform Allowance	Retiree Medical	Total Compensation
		Life	Medical	Dental	LTD	Vision		Employer Total Retire. Rate (Base Pay + POST Only)	ER Paid EE Ret.								
City of Santa Clara	\$ 26,141.00	\$ 3.82	\$ 1,113.74	\$ 22.22	\$ -	\$ 9.00	\$ 400.90	\$ 16,630.77	\$ -	\$ 150.00	\$ -	\$ -	5.0%	\$ 1,307.05	\$ 50.00	\$ 406.00	\$ 46,234.50
City of Hayward	\$ 22,314.93	\$ -	\$ 2,901.63	\$ 184.04	\$ -	\$ 28.70	\$ 323.57	\$ 10,626.93	\$ -	\$ 200.00	\$ -	\$ -	7.5%	\$ 1,673.62	\$ 36.67	\$ 508.00	\$ 38,798.08
City of Milpitas	\$ 25,964.14	\$ 7.00	\$ 2,375.72	\$ 221.22	\$ 19.50	\$ 17.05	\$ 376.48	\$ 15,360.39	\$ -	\$ 75.00	\$ 550.00	\$ -	0.0%	\$ -	\$ 112.50	\$ -	\$ 45,079.00
City of Mountain View	\$ 29,393.72	\$ 24.98	\$ 2,809.40	\$ 224.76	\$ 37.91	\$ -	\$ 426.21	\$ 13,730.39	\$ -	\$ -	\$ -	\$ 83.33	0.0%	\$ -	\$ 37.50	\$ 2,584.65	\$ 49,352.85
City of Palo Alto	\$ 28,211.73	\$ 29.62	\$ 2,260.00	\$ 187.65	\$ 37.20	\$ 15.38	\$ 409.07	\$ 20,665.23	\$ -	\$ 2,500.00	\$ -	\$ 500.00	7.5%	\$ 2,115.88	\$ -	\$ 2,124.00	\$ 59,055.77
City of Redwood City	\$ 26,507.00	\$ 34.46	\$ 2,002.25	\$ 113.67	\$ 66.27	\$ 11.83	\$ 384.35	\$ 14,488.73	\$ -	\$ 530.14	\$ 400.00	\$ 62.50	0.0%	\$ -	\$ 66.67	\$ 762.74	\$ 45,430.60
County of Alameda	\$ 23,535.20	\$ 4.71	\$ 2,080.86	\$ 123.88	\$ -	\$ -	\$ -	\$ 5,610.79	\$ 706.06	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 104.17	\$ 616.12	\$ 32,781.78
County of San Mateo	\$ 27,615.47	\$ 3.58	\$ 1,897.00	\$ 121.76	\$ 14.47	\$ 16.52	\$ 410.00	\$ 21,003.29	\$ -	\$ -	\$ 513.00	\$ -	7.5%	\$ 2,071.16	\$ 108.33	\$ 400.00	\$ 54,174.58
County of Santa Clara	\$ 27,603.27	\$ 110.59	\$ 3,048.97	\$ 117.50	\$ 44.18	\$ 9.64	\$ 2,111.65	\$ 14,453.07	\$ -	\$ 1,708.33	\$ 200.00	\$ 375.00	0.0%	\$ -	\$ -	\$ 2,111.65	\$ 51,893.85

Figures highlighted in green are updated from prior total compensation survey from March 2023

Average (No CSC)	\$ 26,975.79																\$ 47,070.81
Average (Below/Above)	-3.09%																-1.78%

RESOLUTION NO. 23-1

**A RESOLUTION OF THE SALARY SETTING COMMISSION OF
THE CITY OF SANTA CLARA, CALIFORNIA SETTING THE
SALARIES OF THE POSITIONS OF MAYOR AND CITY
COUNCIL MEMBER FOR THE PERIOD OF JULY 1, 2023, TO
JUNE 30, 2025, INCLUSIVE, PURSUANT TO CITY CHARTER
SECTION 702**

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, in accordance with City Charter Section 702, a Salary Setting Commission consisting of three qualified electors of the City was appointed by the Civil Service Commission, and commenced performance of its duties in February 2023;

WHEREAS, pursuant to the City Charter, the Salary Setting Commission is charged with establishing the compensation of the Mayor and Council Members for the period commencing on July 1, 2023, and ending on June 30, 2025;

WHEREAS, the Salary Setting Commission met on three occasions in February and March of 2023, during which the compensation levels for the positions of Mayor and Council Member were discussed in detail;

WHEREAS, the Salary Setting Commission was presented with, and took into consideration, various data points including, but not limited to, the history of compensation received by Mayor and Council, comparator agency salary levels, and City's current fiscal outlook; and

WHEREAS, the final decision of the Salary Setting Commission as to the compensation for the positions of Mayor and Council Member, as set forth in this Resolution, is based upon the following:

1. The Commission finds that the pertinent history of the positions of the Mayor and Council Member compensation is as follows:
 - a. In the 2000 special election, the voters passed Measure J amending Charter Section 702 to set the salary of the Council Members at \$600 per month and salary of the Mayor at \$1,000 per month, and allowed for an automatic annual

salary increase in the amount of the local Consumer Price Index.

- b. By the time of the 2016 general election, as a result of the automatic CPI increases, the salary of the Council Members was \$855.27 per month and the salary of the Mayor was \$1,425.47 per month.
 - c. In the 2016 general election, the voters passed Measure O, which again amended Charter Section 702 to set the salary of the Council Members at \$2,000 per month and salary of the Mayor at \$2,500 per month. These salary increases more than doubled the Council Members' salaries and increased the Mayor's salary by approximately 75%.
 - d. In 2019 and in 2021, the Salary Setting Commission resolved to keep unchanged the compensation for the positions of the Mayor and Council Member for the period of July 1, 2019 through June 30, 2023.
2. The Mayor and Council Members are not "regular" employees of the City, subject to internal performance review. Rather, the Mayor and Council Members are elected by the voters of the City of Santa Clara; it is, therefore, solely within the purview of the voters to determine the quality of performance by the current office holders. Accordingly, the role of the Salary Setting Commission is to set the salary for the positions of Mayor and Council Members, irrespective of the identities of the current office holders.
3. The positions of Mayor and Council Member are service-oriented, executive-level, positions paid a monthly stipend. There are no formal requirements for number of hours worked in City service per week, and the office holders may hold separate full-time employment in addition to service in their elected position.
4. The salary levels for the positions of Mayor (\$2,500 per month) and Council Member (\$2,000) currently exceed the total compensation levels for these positions in some of the comparator agencies reviewed by the Salary Setting Commission.

5. The Salary Setting Commission reviewed and considered the short- and long-term budget projections provided by staff; the Commission strives to arrive at a prudent and fiscally responsible decision.
 - a. The Covid-19 pandemic has, among other things, drastically reduced available revenue sources, resulting in a present budget deficit in excess of \$27 million, with the expectation of ongoing (albeit significantly smaller) budget deficits over the next several fiscal years.
 - b. To address these fiscal challenges, the City has taken measures such as instituting a hiring freeze, eliminating as-needed staff positions, limiting expenditures, and renegotiating collective bargaining agreements.
 - c. The City has reached agreements with the City's bargaining units whereby the employees represented by said units agreed to status quo compensation for a period of two years, in order to reduce ongoing general fund budget deficits; effectively, employees represented by some of these bargaining units were subject to a salary freeze for a period of two years.
6. The Commission discussed the possibility of a reduction in compensation for the positions of Mayor and Council Member – which was, by no means, intended to be a commentary on performance – in light of the City's ongoing fiscal challenges. Upon consideration of various factors, including those described below, the Commission ultimately decided not to reduce the compensation.
 - a. The voters, in passing Charter Section 702, stated clearly that the compensation for Mayor and Councilmember should be \$2,500 and \$2,000 respectively.
 - b. The voters included a limitation on the Commission's ability to increase compensation but did not include any language addressing or permitting a reduction in compensation.
 - c. State law, extended to the City of Santa Clara, does not allow for reduction of the

salary of an elected official during that official's current term of office. Any reduction of salary should be prospective in nature, applying only to the following term of the elected official.

- d. The Commission did not wish to make a compensation decision that would be applicable to some, but not all, of the councilmembers equally. Therefore, there was no action taken that would be applicable only to those councilmembers elected in the 2024 election.
- e. The current Salary Setting Commission will not take an action to set salaries in a manner that results in impairing the decision-making ability of future Salary Setting Commissions. Therefore, there was no action taken that would be applicable to Mayor and Councilmember positions beginning after the 2026 election (at which time all council districts would have been subject to an election for a new representative).
- f. Given the scope of the projected budget deficit as compared with the total amount of annual compensation for these elected positions, a reduction in compensation would not make a meaningful impact on the City's fiscal outlook.
- g. The Commission observed that an amendment to the Charter language to clearly address the issue of a potential decrease in compensation would likely be helpful to future Commissions in the discharge of their duties.

**NOW THEREFORE, BE IT FURTHER RESOLVED BY THE SALARY SETTING
COMMISSION OF THE CITY OF SANTA CLARA AS FOLLOWS:**

- 1. That the salary of the position of Mayor shall remain at its current level (\$2,500 per month) for the period July 1, 2023, to June 30, 2025.
- 2. That the salary of the position of Council Member shall remain at its current level (\$2,000 per month) for the period July 1, 2023, to June 30, 2025.
- 3. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED
AND ADOPTED BY THE SALARY SETTING COMMISSION, AT A SPECIAL MEETING
THEREOF HELD ON THE 13th DAY OF MARCH, 2023, BY THE FOLLOWING VOTE:

AYES: 3 COUNCILORS: Kumar, Sontag, and Lawson

NOES: 0 COUNCILORS:

ABSENT: 0 COUNCILORS:

ABSTAINED: 0 COUNCILORS:

ATTEST:



MV KUMAR
CHAIR

RESOLUTION NO. 23-2

**A RESOLUTION OF THE SALARY SETTING COMMISSION OF
THE CITY OF SANTA CLARA, CALIFORNIA, SETTING THE
SALARY FOR THE POSITION OF CITY CLERK FOR THE
PERIOD JULY 1, 2023, TO JUNE 30, 2025, INCLUSIVE,
PURSUANT TO CITY CHARTER SECTION 702 AND SANTA
CLARA CITY CODE SECTION 2.20.015**

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, in accordance with City Charter Section 702, a Salary Setting Commission consisting of three qualified electors of the City was appointed by the Civil Service Commission, and commenced performance of its duties in February 2023;

WHEREAS, pursuant to City Code Section 2.20.015, the Salary Setting Commission is charged with establishing the compensation of the elected position of City Clerk for the period commencing on July 1, 2023, and ending on June 30, 2025;

WHEREAS, the Salary Setting Commission met during the months of February and March of 2023, during which time the compensation level for the position of City Clerk was discussed;

WHEREAS, the Salary Setting Commission was presented with, and took into consideration, various data points including, but not limited to, the history of compensation received by the City Clerk, comparator agency salary levels, modification of the duties of the City Clerk under the Charter and the City Code, and City budget projections; and

WHEREAS, the final decision of the Salary Setting Commission as to the compensation for the position of City Clerk, as set forth in this Resolution, is based upon the following:

1. Charter Section 903 sets forth generally the various duties of a City Clerk including attending Council meetings and maintaining the minutes of said meetings, maintaining the official contracts entered into by the City, acting as custodian of the City seal, and having charge of all City elections.
2. In July 2018, the City Council by ordinance (SCCC 2.20.020) reduced the scope of the elected City Clerk's duties to having charge of City elections and acting as custodian of

the City seal; the remainder of the duties listed in the Charter were assigned to the Assistant City Clerk (SCCC 2.20.030).

3. The primary duty of the City Clerk is to manage (i.e., "have charge of") the City elections. Because elections are generally held every two years, the Commission understands that the position will be subject to a biennial increase in time commitment. The Commission further understands that in non-election years, the time commitment associated with discharging the duties of the position will be minimal. Additionally, the Assistant City Clerk performs much of the work associated with the elections.
4. Concurrently with the reduction in scope of official duties of the City Clerk in 2018, the City Council also reduced the salary associated with the position to the sum of \$2,000 per month, which is the same salary earned by Council Members.
5. In 2019, the Salary Setting Commission approved a decrease in the salary for the position of City Clerk to the sum of \$1,500 per month, for the reasons set forth in Commission Resolution 19-3.
6. The City Clerk is not a "regular" employee of the City, subject to internal performance review. Rather, the City Clerk is elected by the voters of the City of Santa Clara; it is, therefore, solely within the purview of the voters to determine the quality of performance by the current office holder. Accordingly, the role of the Salary Setting Commission is to set the salary for the position of City Clerk, irrespective of the identity or performance of the current office holder.
7. The position of City Clerk is similar to that of Council Member in that it is an elected, part-time, executive-level position, and the office holder may hold separate full-time employment in addition to service in his/her elected position. However, unlike the position of Council Member, the City Clerk has no formal requirements for meeting attendance or other specific activities related to his/her City service.
8. At the current fully loaded rate of \$2,125.05 per month, the total compensation for the

position of City Clerk is below average current total compensation for the position in the two comparator agencies reviewed by the Commission.

9. The Commission appreciates the importance of the position of City Clerk as it relates to properly managing the City elections and strives to strike a balance between acting in a fiscally responsible manner, properly aligning compensation with the duties of the position, and attracting capable candidates for this important position.
10. The Salary Setting Commission reviewed and considered the short- and long-term budget projections provided by staff; the Commission strives to arrive at a prudent and fiscally responsible decision.
 - a. The Covid-19 pandemic has, among other things, drastically reduced available revenue sources, resulting in a present budget deficit in excess of \$27 million, with the expectation of ongoing (albeit significantly smaller) budget deficits over the next several fiscal years.
 - b. To address these fiscal challenges, the City has taken measures such as instituting a hiring freeze, eliminating as-needed staff positions, limiting expenditures, and renegotiating existing collective bargaining agreements.
 - c. The City has reached agreements with the City's bargaining units whereby the employees represented by said units agreed to status quo compensation for a period of two years, in order to reduce ongoing general fund budget deficits; effectively, employees represented by some of these bargaining units were subject to a salary freeze for a period of two years.
11. The Commission discussed the possibility of a reduction in compensation for the position of City Clerk – which was, by no means, intended to be a commentary on performance – in order to clearly communicate the Commission's opinion that salary reductions for all positions should be considered as a means to address the budget shortfall. Upon consideration of various factors – including timing of the reduction, key legal

considerations, and the practical impact of such a reduction being negligible to the general fund – the Commission ultimately decided not to reduce the compensation.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE SALARY SETTING

COMMISSION OF THE CITY OF SANTA CLARA AS FOLLOWS:

1. That the salary for the position of City Clerk shall remain at its current level (\$1,500 per month) for the period July 1, 2023, to June 30, 2025, inclusive.
2. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE SALARY SETTING COMMISSION OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 29th DAY OF MARCH, 2023, BY THE FOLLOWING VOTE:

AYES: 3 COMMISSIONERS: Kumar, Sontag, Lawson

NOES: 0 COMMISSIONERS:

ABSENT: 0 COMMISSIONERS:

ABSTAINED: 0 COMMISSIONERS:

ATTEST:



MV KUMAR, CHAIR
SALARY SETTING COMMISSION

Attachments incorporated by reference: None

RESOLUTION NO. 23-3

A RESOLUTION OF THE SALARY SETTING COMMISSION OF THE CITY OF SANTA CLARA, CALIFORNIA, SETTING THE COMPENSATION FOR THE POSITION OF CHIEF OF POLICE FOR THE PERIOD JULY 1, 2023, TO JUNE 30, 2025, INCLUSIVE, PURSUANT TO CITY CODE SECTION 2.80.015 AND CHARTER SECTION 702

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, in accordance with City Charter Section 702, a Salary Setting Commission consisting of qualified electors of the City was appointed by the Civil Service Commission, and commenced performance of its duties in February 2023;

WHEREAS, pursuant to City Code Section 2.80.015 and City Charter Section 702, the Salary Setting Commission is charged with establishing the compensation of the Chief of Police for the period commencing on July 1, 2023, and ending on June 30, 2025;

WHEREAS, the Salary Setting Commission met during the months of February through May of 2021, during which the compensation level for the position of Chief of Police was discussed;

WHEREAS, the Salary Setting Commission was presented with, and took into consideration, various data points including, but not limited to, the history of compensation for the position of Chief of Police; comparator agency salary levels; comparisons of the positions of Chief of Police and Assistant Chief of Police under the City Charter, City Code, and job specifications; compensation levels for the position of Assistant Chief of Police; City budget projections; potential impacts upon decision-making of future commissions; and

WHEREAS, the final decision of the Salary Setting Commission as to compensation for the Chief of Police, as set forth in this Resolution, is based upon the following:

1. In the 2000 special election, the voters passed Measure I, adding Section 701.1 to the City Charter, which imposed upon candidates for the office of Chief of Police a requirement to meet the minimum eligibility and qualification requirements imposed by state law upon candidates for the office of county sheriff.

- a. The minimum qualifications for the office of sheriff require only a California POST advanced certificate, and a combination of education (ranging from high school diploma to master's degree) and work experience (ranging from one to four years).
 - b. These Charter requirements are the only official substantive requirements for the position; because the position is elected, there exists no further job description or other requirement for seeking, or holding, the position of Chief of Police.
2. The Chief of Police, akin to a county sheriff, is elected by the voters of the City of Santa Clara; it is, therefore, solely within the purview of the voters to determine the quality of performance by the current office holder. Accordingly, the role of the Salary Setting Commission is to set the salary for the position of Chief of Police, irrespective of the identity, experience, or performance of the current office holder.
3. Unlike the other elected positions in the City, the position of Chief of Police is a full time regular employee of the City.
4. Currently, the salary level of \$26,141 per month is approximately 3% lower than the average salary level for the position in the comparator agencies reviewed by the Salary Setting Commission. When taking into consideration medical and other benefits, the current total compensation is approximately 2% lower than the average total compensation paid by the comparator agencies.
5. Currently, the average salary of the two incumbents in the position of Assistant Chief of Police Salary is approximately \$29,000, which is approximately 11% higher than the current monthly salary for the position of Chief of Police. The Unit 9A Memorandum of Understanding ("MOU"), which covers the position of Assistant Chief of Police, expires in December 2023 and a successor MOU may result in a wage increase for that position. The Salary Setting Commission is concerned about the potential consequences of continuation and exacerbation of compaction of the salaries for these two positions.

6. The next Salary Setting Commission will meet in early 2025 to again analyze the salary level for the position of Chief of Police. By that time, if the Assistant Chief of Police position receives a wage increase under the new MOU (and in light of the 10% maximum salary increase under Charter Section 702), the Salary Setting Commission may not be in a position to adequately or meaningfully address compaction.
7. The Salary Setting Commission reviewed and considered the short- and long-term budget projections provided by staff; the Commission strives to arrive at a prudent and fiscally responsible decision. The Commission does not believe that the salary increase granted to the position of Chief of Police will negatively impact, in any meaningful way, the City's financial position.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE SALARY SETTING COMMISSION OF THE CITY OF SANTA CLARA AS FOLLOWS:

1. In accordance with Resolution 21-3 of the Salary Setting Commission, up to and including June 30, 2023, the monthly salary for the position of Chief of Police shall be \$26,141.00. For the period July 1, 2023, to June 30, 2025, inclusive, the monthly salary for the position of Chief of Police shall be increased by 10% for a new monthly salary of \$28,755.00.
2. That for the period July 1, 2023, to June 30, 2025, inclusive, the position of the Chief of Police shall continue to receive benefits equivalent to those currently received by members of the Unclassified Police Management Unit (9A) under the Memorandum of Understanding set to expire on December 25, 2023.
3. That for the period July 1, 2023, to June 30, 2025, inclusive, any accrued leave balances held by the Chief of Police shall continue to be "frozen" as of the date he/she takes office (i.e., shall neither accrue increases in leave balances, nor be subject to decreases in those balances, during his/her term of elected office).
4. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED

AND ADOPTED BY THE SALARY SETTING COMMISSION OF THE CITY OF SANTA CLARA,
CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 8th DAY OF MAY, 2023,
BY THE FOLLOWING VOTE:

AYES: 3 COMMISSIONERS: Kumar, Sontag, Lawson

NOES: 0 COMMISSIONERS:

ABSENT: 1 COMMISSIONERS: Humphries

ABSTAINED: 0 COMMISSIONERS:

ATTEST:



MV KUMAR, CHAIR
SALARY SETTING COMMISSION

Attachments incorporated by reference: None

City of Santa Clara
Unclassified/Elected Salary Plan

Effective 7/1/2023
Approved 6/6/2023

Job Title	Job Code	Union Code	Minimum Salary			Maximum Salary		
			Hourly	Monthly	Annual	Hourly	Monthly	Annual
ACCOUNTING DIVISION MANAGER	109	9	\$ 80.131673	\$ 13,889.49	\$ 166,673.88	\$ 103.698692	\$ 17,974.44	\$ 215,693.28
ASST BUILDING OFFICIAL	222	9	\$ 85.410288	\$ 14,804.45	\$ 177,653.40	\$ 110.539731	\$ 19,160.22	\$ 229,922.64
ASST CITY ATTORNEY	015	9	\$ 99.266654	\$ 17,206.22	\$ 206,474.64	\$ 128.467096	\$ 22,267.63	\$ 267,211.56
ASST CITY CLERK	010	9	\$ 66.393519	\$ 11,508.21	\$ 138,098.52	\$ 85.920692	\$ 14,892.92	\$ 178,715.04
ASST CITY LIBRARIAN	012	9	\$ 86.493404	\$ 14,992.19	\$ 179,906.28	\$ 111.934038	\$ 19,401.90	\$ 232,822.80
ASST CITY MANAGER	016	9	\$ 134.505115	\$ 23,314.22	\$ 279,770.64	\$ 174.057404	\$ 30,169.95	\$ 362,039.40
ASST DIR OF COMMUNITY DEV	038	9	\$ 97.761288	\$ 16,945.29	\$ 203,343.48	\$ 127.089346	\$ 22,028.82	\$ 264,345.84
ASST DIR OF ELECTRIC UTIL	021	9	\$ 117.181558	\$ 20,311.47	\$ 243,737.64	\$ 151.648154	\$ 26,285.68	\$ 315,428.16
ASST DIR OF FINANCE	022	9	\$ 93.259731	\$ 16,165.02	\$ 193,980.24	\$ 120.692365	\$ 20,920.01	\$ 251,040.12
ASST DIR OF HUMAN RESOURCES	018	9	\$ 93.259731	\$ 16,165.02	\$ 193,980.24	\$ 120.692365	\$ 20,920.01	\$ 251,040.12
ASST DIR OF PUB WORKS/CITY ENG	071	9	\$ 102.845885	\$ 17,826.62	\$ 213,919.44	\$ 133.098346	\$ 23,070.38	\$ 276,844.56
ASST DIR OF WATER & SEWER UTIL	014	9	\$ 92.307346	\$ 15,999.94	\$ 191,999.28	\$ 119.466058	\$ 20,707.45	\$ 248,489.40
ASST FIRE CHIEF	024	9B	\$ 135.770596	\$ 23,533.57	\$ 282,402.84	\$ 175.712019	\$ 30,456.75	\$ 365,481.00
ASST FIRE MARSHAL	026	9B	\$ 104.134962	\$ 18,050.06	\$ 216,600.72	\$ 134.762885	\$ 23,358.90	\$ 280,306.80
ASST POLICE CHIEF	027	9A	\$ 141.537173	\$ 24,533.11	\$ 294,397.32	\$ 183.163154	\$ 31,748.28	\$ 380,979.36
ASST TO THE CITY MANAGER	028	9	\$ 91.168154	\$ 15,802.48	\$ 189,629.76	\$ 117.978346	\$ 20,449.58	\$ 245,394.96
AUDIT MANAGER	201	9	\$ 77.143788	\$ 13,371.59	\$ 160,459.08	\$ 99.833077	\$ 17,304.40	\$ 207,652.80
BATTALION CHIEF	036	9B	\$ 112.191058	\$ 19,446.45	\$ 233,357.40	\$ 145.180327	\$ 25,164.59	\$ 301,975.08
BATTALION CHIEF 24 HRS	036S	9BS	\$ 76.320453	\$ 18,520.43	\$ 222,245.16	\$ 98.762143	\$ 23,966.28	\$ 287,595.36
BUDGET & TREASURY DIVISION MGR	113	9	\$ 80.131673	\$ 13,889.49	\$ 166,673.88	\$ 103.698692	\$ 17,974.44	\$ 215,693.28
BUILDING MAINTENANCE MANAGER	041	9	\$ 70.962519	\$ 12,300.17	\$ 147,602.04	\$ 91.834269	\$ 15,917.94	\$ 191,015.28
BUILDING OFFICIAL	042	9	\$ 93.956885	\$ 16,285.86	\$ 195,430.32	\$ 121.588731	\$ 21,075.38	\$ 252,904.56
CEMETERY OPERATIONS MANAGER	045	9	\$ 56.745115	\$ 9,835.82	\$ 118,029.84	\$ 73.433827	\$ 12,728.53	\$ 152,742.36
CHIEF ASST CITY ATTORNEY	037	9	\$ 114.156346	\$ 19,787.10	\$ 237,445.20	\$ 147.737192	\$ 25,607.78	\$ 307,293.36
CHIEF ELECTRIC UTILITY OFFICER	108	9	\$ 154.685885	\$ 26,812.22	\$ 321,746.64	\$ 200.176615	\$ 34,697.28	\$ 416,367.36
CHIEF OPERATING OFFICER	311	9	\$ 154.685885	\$ 26,812.22	\$ 321,746.64	\$ 200.176615	\$ 34,697.28	\$ 416,367.36
CITY ATTORNEY	060	Appointed				\$ 165.865385	\$ 28,750.00	\$ 345,000.00
CITY AUDITOR	067	9	\$ 93.259731	\$ 16,165.02	\$ 193,980.24	\$ 120.692365	\$ 20,920.01	\$ 251,040.12

City of Santa Clara
Unclassified/Elected Salary Plan

Effective 7/1/2023
Approved 6/6/2023

Job Title	Job Code	Union Code	Minimum Salary			Maximum Salary		
			Hourly	Monthly	Annual	Hourly	Monthly	Annual
CITY CLERK	063	Elected					\$ 1,500.00	\$ 18,000.00
CITY COUNCIL MEMBER	CNCL	Elected					\$ 2,000.00	\$ 24,000.00
CITY LIBRARIAN	066	9	\$ 108.105865	\$ 18,738.35	\$ 224,860.20	\$ 139.902058	\$ 24,249.69	\$ 290,996.28
CITY MANAGER	069	Appointed	\$ 194.738654	\$ 33,754.70	\$ 405,056.40	\$ 232.647058	\$ 40,325.49	\$ 483,905.88
COMMUNICATIONS & OUTREACH MGR	083	9	\$ 64.420327	\$ 11,166.19	\$ 133,994.28	\$ 83.362327	\$ 14,449.47	\$ 173,393.64
COMMUNICATIONS OPERATIONS MGR	068	9	\$ 72.998077	\$ 12,653.00	\$ 151,836.00	\$ 94.467288	\$ 16,374.33	\$ 196,491.96
COMPLIANCE MANAGER	081	9	\$ 65.434904	\$ 11,342.05	\$ 136,104.60	\$ 84.675750	\$ 14,677.13	\$ 176,125.56
CONTRACTS MANAGER	342	9	\$ 72.132808	\$ 12,503.02	\$ 150,036.24	\$ 93.340673	\$ 16,179.05	\$ 194,148.60
DEPUTY CITY ATTORNEY I	170	9	\$ 62.036192	\$ 10,752.94	\$ 129,035.28	\$ 80.281038	\$ 13,915.38	\$ 166,984.56
DEPUTY CITY ATTORNEY II	172	9	\$ 72.375577	\$ 12,545.10	\$ 150,541.20	\$ 93.664327	\$ 16,235.15	\$ 194,821.80
DEPUTY CITY CLERK	178	9	\$ 55.873673	\$ 9,684.77	\$ 116,217.24	\$ 72.313327	\$ 12,534.31	\$ 150,411.72
DEPUTY CITY MANAGER	079	9	\$ 100.287519	\$ 17,383.17	\$ 208,598.04	\$ 129.774288	\$ 22,494.21	\$ 269,930.52
DEPUTY FIRE CHIEF	080	9B	\$ 123.427212	\$ 21,394.05	\$ 256,728.60	\$ 159.739442	\$ 27,688.17	\$ 332,258.04
DEPUTY PARKS & REC DIRECTOR	175	9	\$ 81.040500	\$ 14,047.02	\$ 168,564.24	\$ 104.875154	\$ 18,178.36	\$ 218,140.32
DEPUTY PUBLIC WORKS DIRECTOR	176	9	\$ 81.183635	\$ 14,071.83	\$ 168,861.96	\$ 105.061904	\$ 18,210.73	\$ 218,528.76
DEVELOPMENT PROJECT MANAGER	158	9	\$ 81.178327	\$ 14,070.91	\$ 168,850.92	\$ 105.052904	\$ 18,209.17	\$ 218,510.04
DEVELOPMENT REVIEW OFFICER	144	9	\$ 78.538154	\$ 13,613.28	\$ 163,359.36	\$ 101.638269	\$ 17,617.30	\$ 211,407.60
DIRECTOR OF COMMUNITY DEVELOPM	090	9	\$ 118.849846	\$ 20,600.64	\$ 247,207.68	\$ 153.808212	\$ 26,660.09	\$ 319,921.08
DIRECTOR OF FINANCE	087	9	\$ 118.613308	\$ 20,559.64	\$ 246,715.68	\$ 153.496962	\$ 26,606.14	\$ 319,273.68
DIRECTOR OF HUMAN RESOURCES	088	9	\$ 109.344577	\$ 18,953.06	\$ 227,436.72	\$ 141.501808	\$ 24,526.98	\$ 294,323.76
DIRECTOR OF INF TECHNOLOGY/CIO	089	9	\$ 112.830404	\$ 19,557.27	\$ 234,687.24	\$ 146.020962	\$ 25,310.30	\$ 303,723.60
DIRECTOR OF PUBLIC WORKS	091	9	\$ 125.715750	\$ 21,790.73	\$ 261,488.76	\$ 162.690923	\$ 28,199.76	\$ 338,397.12
DIRECTOR OF WTR & SEWER UTILS	102	9	\$ 113.944673	\$ 19,750.41	\$ 237,004.92	\$ 147.452654	\$ 25,558.46	\$ 306,701.52
ELEC DIV MGR - ENGINEERING	104Q	9	\$ 96.838962	\$ 16,785.42	\$ 201,425.04	\$ 125.329788	\$ 21,723.83	\$ 260,685.96
ELEC DIV MGR - GENERATION	104R	9	\$ 96.838962	\$ 16,785.42	\$ 201,425.04	\$ 125.329788	\$ 21,723.83	\$ 260,685.96
ELEC DIV MGR - OPERATIONS	104P	9	\$ 96.838962	\$ 16,785.42	\$ 201,425.04	\$ 125.329788	\$ 21,723.83	\$ 260,685.96
ELEC DIV MGR - SUBSTATIONS	104M	9	\$ 96.838962	\$ 16,785.42	\$ 201,425.04	\$ 125.329788	\$ 21,723.83	\$ 260,685.96
ELEC DIV MGR - TRANSM, DISTRIB	104S	9	\$ 96.838962	\$ 16,785.42	\$ 201,425.04	\$ 125.329788	\$ 21,723.83	\$ 260,685.96

City of Santa Clara
Unclassified/Elected Salary Plan

Effective 7/1/2023
Approved 6/6/2023

Job Title	Job Code	Union Code	Minimum Salary			Maximum Salary		
			Hourly	Monthly	Annual	Hourly	Monthly	Annual
ELEC DIV MGR-MKT A & P	107F	9	\$ 96.838962	\$ 16,785.42	\$ 201,425.04	\$ 125.329788	\$ 21,723.83	\$ 260,685.96
ELEC DIVISION MANAGER	104	9	\$ 96.838962	\$ 16,785.42	\$ 201,425.04	\$ 125.329788	\$ 21,723.83	\$ 260,685.96
ELEC PROGRAM MANAGER	424	9	\$ 84.215135	\$ 14,597.29	\$ 175,167.48	\$ 108.977308	\$ 18,889.40	\$ 226,672.80
ELEC UTIL CHIEF OPER OFFICER	116	9	\$ 128.902846	\$ 22,343.16	\$ 268,117.92	\$ 166.818000	\$ 28,915.12	\$ 346,981.44
ELEC UTIL RISK CONTROL ANALYST	697	9	\$ 75.419481	\$ 13,072.71	\$ 156,872.52	\$ 97.604596	\$ 16,918.13	\$ 203,017.56
EMERGENCY SERVICES OFFICER	106	9	\$ 87.663635	\$ 15,195.03	\$ 182,340.36	\$ 113.440442	\$ 19,663.01	\$ 235,956.12
ENVIRONMENTAL PROGRAMS MGR	461	9	\$ 65.434904	\$ 11,342.05	\$ 136,104.60	\$ 84.675750	\$ 14,677.13	\$ 176,125.56
EXECUTIVE ASSISTANT	187	9	\$ 55.033327	\$ 9,539.11	\$ 114,469.32	\$ 71.217808	\$ 12,344.42	\$ 148,133.04
FIELD FOREPERSON	114	9	\$ 79.253942	\$ 13,737.35	\$ 164,848.20	\$ 102.559558	\$ 17,776.99	\$ 213,323.88
FIRE CHIEF	117	9B	\$ 147.659538	\$ 25,594.32	\$ 307,131.84	\$ 191.078769	\$ 33,120.32	\$ 397,443.84
FIRE MARSHAL	120	9B	\$ 112.190423	\$ 19,446.34	\$ 233,356.08	\$ 145.176346	\$ 25,163.90	\$ 301,966.80
FLEET MANAGER	034	9	\$ 67.613596	\$ 11,719.69	\$ 140,636.28	\$ 87.495577	\$ 15,165.90	\$ 181,990.80
HOUSING & COMM SVC DIV MGR	075	9	\$ 81.252115	\$ 14,083.70	\$ 169,004.40	\$ 105.155308	\$ 18,226.92	\$ 218,723.04
HOUSING DEVELOPMENT OFFICER	749	9	\$ 63.810288	\$ 11,060.45	\$ 132,725.40	\$ 82.578000	\$ 14,313.52	\$ 171,762.24
HUMAN RESOURCES DIV MGR	139	9	\$ 80.131673	\$ 13,889.49	\$ 166,673.88	\$ 103.698692	\$ 17,974.44	\$ 215,693.28
INFORMATION TECHNOLOGY SVC MGR	112	9	\$ 75.207808	\$ 13,036.02	\$ 156,432.24	\$ 97.318269	\$ 16,868.50	\$ 202,422.00
INSPECTION MANAGER	134	9	\$ 80.480250	\$ 13,949.91	\$ 167,398.92	\$ 104.159308	\$ 18,054.28	\$ 216,651.36
LEGAL EXECUTIVE ASSISTANT	185	9	\$ 55.033327	\$ 9,539.11	\$ 114,469.32	\$ 71.217808	\$ 12,344.42	\$ 148,133.04
LIBRARY DIV MGR -SUPPORT SVCS	127G	9	\$ 67.563808	\$ 11,711.06	\$ 140,532.72	\$ 87.445788	\$ 15,157.27	\$ 181,887.24
MANAGEMENT ANALYST	008	9	\$ 55.873673	\$ 9,684.77	\$ 116,217.24	\$ 72.313327	\$ 12,534.31	\$ 150,411.72
MAYOR	MAYOR	Elected					\$ 2,500.00	\$ 30,000.00
MUNICIPAL SERVICES DIV MGR	110	9	\$ 80.131673	\$ 13,889.49	\$ 166,673.88	\$ 103.698692	\$ 17,974.44	\$ 215,693.28
PARK MAINT & OPERATIONS SUPERV	131	9	\$ 66.785712	\$ 11,576.19	\$ 138,914.28	\$ 86.418692	\$ 14,979.24	\$ 179,750.88
PARKS & RECREATION DIRECTOR	132	9	\$ 110.172462	\$ 19,096.56	\$ 229,158.72	\$ 142.566231	\$ 24,711.48	\$ 296,537.76
PARKS CONST, MTC & REPAIR MGR	130	9	\$ 66.785712	\$ 11,576.19	\$ 138,914.28	\$ 86.418692	\$ 14,979.24	\$ 179,750.88
PERFORMANCE AUDITOR I	203	9	\$ 46.561385	\$ 8,070.64	\$ 96,847.68	\$ 60.261115	\$ 10,445.26	\$ 125,343.12
PERFORMANCE AUDITOR II	204	9	\$ 55.873673	\$ 9,684.77	\$ 116,217.24	\$ 72.313327	\$ 12,534.31	\$ 150,411.72
PLAN REVIEW MANAGER	629	9	\$ 81.345462	\$ 14,099.88	\$ 169,198.56	\$ 105.261115	\$ 18,245.26	\$ 218,943.12

City of Santa Clara
Unclassified/Elected Salary Plan

Effective 7/1/2023
Approved 6/6/2023

Job Title	Job Code	Union Code	Minimum Salary			Maximum Salary		
			Hourly	Monthly	Annual	Hourly	Monthly	Annual
PLANNING MANAGER	072	9	\$ 84.831346	\$ 14,704.10	\$ 176,449.20	\$ 109.780269	\$ 19,028.58	\$ 228,342.96
POLICE CAPTAIN	138	9A	\$ 134.809558	\$ 23,366.99	\$ 280,403.88	\$ 174.454212	\$ 30,238.73	\$ 362,864.76
POLICE CHIEF	141	Elected					\$ 28,755.00	\$ 345,060.00
POLICE RECORDS MANAGER	647	9	\$ 57.554365	\$ 9,976.09	\$ 119,713.08	\$ 74.485788	\$ 12,910.87	\$ 154,930.44
POWER SYSTEM SCHEDULER/TRADER	674	9	\$ 72.226212	\$ 12,519.21	\$ 150,230.52	\$ 93.471346	\$ 16,201.70	\$ 194,420.40
POWER TRADER	673	9	\$ 92.307346	\$ 15,999.94	\$ 191,999.28	\$ 119.466058	\$ 20,707.45	\$ 248,489.40
PRINCIPAL ACCOUNTANT	148	9	\$ 72.132808	\$ 12,503.02	\$ 150,036.24	\$ 93.340673	\$ 16,179.05	\$ 194,148.60
PRINCIPAL ELECTRIC UTILITY ENG	145	9	\$ 92.238865	\$ 15,988.07	\$ 191,856.84	\$ 119.366423	\$ 20,690.18	\$ 248,282.16
PRINCIPAL ENG - WATER & SEWER	142W	9	\$ 89.437673	\$ 15,502.53	\$ 186,030.36	\$ 115.743635	\$ 20,062.23	\$ 240,746.76
PRINCIPAL ENG/CITY SURVEYOR	140	9	\$ 93.909692	\$ 16,277.68	\$ 195,332.16	\$ 121.532654	\$ 21,065.66	\$ 252,787.92
PRINCIPAL ENGINEER	142	9	\$ 89.437673	\$ 15,502.53	\$ 186,030.36	\$ 115.743635	\$ 20,062.23	\$ 240,746.76
PRINCIPAL FINANCIAL ANALYST	149	9	\$ 72.132808	\$ 12,503.02	\$ 150,036.24	\$ 93.340673	\$ 16,179.05	\$ 194,148.60
PRINCIPAL PLANNER	143	9	\$ 72.132808	\$ 12,503.02	\$ 150,036.24	\$ 93.340673	\$ 16,179.05	\$ 194,148.60
PRINCIPAL POWER ANALYST	154	9	\$ 72.132808	\$ 12,503.02	\$ 150,036.24	\$ 93.340673	\$ 16,179.05	\$ 194,148.60
PRINCIPAL UTIL INFO SYSTEM MGR	146	9	\$ 92.307346	\$ 15,999.94	\$ 191,999.28	\$ 119.466058	\$ 20,707.45	\$ 248,489.40
PUBLIC INFORMATION OFFICER	077	9	\$ 87.663635	\$ 15,195.03	\$ 182,340.36	\$ 113.440442	\$ 19,663.01	\$ 235,956.12
PUBLIC RECORDS MANAGER	082	9	\$ 55.873673	\$ 9,684.77	\$ 116,217.24	\$ 72.313327	\$ 12,534.31	\$ 150,411.72
PURCHASING DIVISION MANAGER	147	9	\$ 77.143788	\$ 13,371.59	\$ 160,459.08	\$ 99.833077	\$ 17,304.40	\$ 207,652.80
RECREATION MANAGER	150	9	\$ 72.817500	\$ 12,621.70	\$ 151,460.40	\$ 94.230750	\$ 16,333.33	\$ 195,999.96
RISK MANAGER	700	9	\$ 77.143788	\$ 13,371.59	\$ 160,459.08	\$ 99.833077	\$ 17,304.40	\$ 207,652.80
SR DEPUTY CITY ATTORNEY	161	9	\$ 76.932115	\$ 13,334.90	\$ 160,018.80	\$ 99.565442	\$ 17,258.01	\$ 207,096.12
SR ELEC DIV MGR	173	9	\$ 106.518519	\$ 18,463.21	\$ 221,558.52	\$ 137.860327	\$ 23,895.79	\$ 286,749.48
SR ELEC DIV MGR-MKT A&P	174A	9	\$ 106.518519	\$ 18,463.21	\$ 221,558.52	\$ 137.860327	\$ 23,895.79	\$ 286,749.48
SR INFORMATION TECH SVCS MGR	743	9	\$ 82.409942	\$ 14,284.39	\$ 171,412.68	\$ 106.649250	\$ 18,485.87	\$ 221,830.44
SR MANAGEMENT ANALYST	742	9	\$ 61.460885	\$ 10,653.22	\$ 127,838.64	\$ 79.544481	\$ 13,787.71	\$ 165,452.52
SR PERFORMANCE AUDITOR	202	9	\$ 65.434904	\$ 11,342.05	\$ 136,104.60	\$ 84.675750	\$ 14,677.13	\$ 176,125.56
SR POWER SYSTEM SCHEDLR/TRADER	772	9	\$ 77.629327	\$ 13,455.75	\$ 161,469.00	\$ 100.467981	\$ 17,414.45	\$ 208,973.40
STREET SUPERINTENDENT	159	9	\$ 73.801038	\$ 12,792.18	\$ 153,506.16	\$ 95.513077	\$ 16,555.60	\$ 198,667.20

City of Santa Clara
Unclassified/Elected Salary Plan

Effective 7/1/2023
Approved 6/6/2023

Job Title	Job Code	Union Code	Minimum Salary			Maximum Salary		
			Hourly	Monthly	Annual	Hourly	Monthly	Annual
TRANSPORTATION MANAGER	171	9	\$ 90.253154	\$ 15,643.88	\$ 187,726.56	\$ 116.801827	\$ 20,245.65	\$ 242,947.80
UTILITY BUSINESS SYSTEMS MGR	898	9	\$ 72.014538	\$ 12,482.52	\$ 149,790.24	\$ 93.191250	\$ 16,153.15	\$ 193,837.80
UTILITY OPERATIONS ENGINEER	155	9	\$ 76.023288	\$ 13,177.37	\$ 158,128.44	\$ 98.376462	\$ 17,051.92	\$ 204,623.04
WATER & SEWER OPERATIONS MGR	180	9	\$ 74.722327	\$ 12,951.87	\$ 155,422.44	\$ 96.708231	\$ 16,762.76	\$ 201,153.12
WATER & SEWER SUPERINTENDENT	029	9	\$ 67.563808	\$ 11,711.06	\$ 140,532.72	\$ 87.445788	\$ 15,157.27	\$ 181,887.24
WEB & DIGITAL MEDIA MANAGER	073	9	\$ 64.420327	\$ 11,166.19	\$ 133,994.28	\$ 83.362327	\$ 14,449.47	\$ 173,393.64

RESOLUTION NO. 23- _____

**A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA
TO ADOPT THE AMENDED UNCLASSIFIED/ELECTED SALARY
PLAN FOR THE POSITION OF POLICE CHIEF WITH AN
APPROVAL DATE OF JUNE 6, 2023**

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, the City of Santa Clara contracts with CalPERS to provide retirement benefits;

WHEREAS, to comply with the California Code Regulations section 570.5, the City of Santa Clara shall among other things, have salary plans approved and adopted by the City Council; and indicate an effective date and date of any revisions;

WHEREAS, the Salary Setting Commission adopted a resolution setting an increased salary level for the position of Police Chief, pursuant to its authority under SCCC 2.80.015;

WHEREAS, as required by the California Code Regulations section 570.5 and as mandated by CalPERS, the City Council deems it to be in the best interests of the City to adopt the Amended Unclassified/Elected Salary Plan for the position of Police Chief to align with the action taken by the Salary Setting Commission, with an approval date of June 6, 2023 and an effective date of July 1, 2023.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. That the City hereby adopts the Amended Unclassified/Elected Salary Plan for the Police Chief position.

//

//

//

//

//

//

//

2. Effective date. In accordance with the California Code Regulations section 570.5 and to comply with CalPERS, the revised Unclassified/Elected Salary Plan shall be effective July 1, 2023 and adopted with an approval date of June 6, 2023.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE ____ DAY OF ____, 2023, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: _____
NORA PIMENTEL, MMC
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference:

1. Unclassified_Elected Salary Plan (effective 7-1-2023) approved 6-6-2023



Agenda Report

23-775

Agenda Date: 6/27/2023

REPORT TO COUNCIL

SUBJECT

Action on a Written Petition (Council Policy 030), Submitted by Adam Thompson Requesting to Place an Agenda Item on a Future Council Meeting to Request that Council Reconsider the El Camino Real Specific Plan Committee Membership

COUNCIL PILLAR

Enhance Community Engagement and Transparency

BACKGROUND

Council Policy 030 - Adding an Item on the Agenda (Attachment 1) sets forth the procedure for written petitions. Any member of the public may submit a written request raising any issue or item within the subject matter jurisdiction of the Council. Per the policy, the written request will be submitted on the agenda, in the form substantially provided by the requestor, without any staff analysis, including fiscal review, legal review and policy review. If a simple majority of the City Council supports further study of the request, then a full staff analysis shall be prepared within thirty (30) days, unless otherwise directed by the City Council.

DISCUSSION

The City Clerk's Office received a Written Petition on May 17, 2023, from Adam Thompson, requesting to place an agenda item on a future council meeting to request that Council reconsider the El Camino Real Specific Plan Committee membership (Attachment 2).

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5) in that it is an administrative activity that will not result in direct or indirect physical changes to the environment.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any report to council may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

ALTERNATIVES

1. Set a future Council meeting date to take action on the Written Petition received.
2. Take no action.
3. Any other City Council Action, as determined by the City Council.

RECOMMENDATION

Staff makes no recommendation.

Reviewed by: Nora Pimentel, Assistant City Clerk

Approved by: Jōvan D. Grogan, City Manager

ATTACHMENTS

1. Policy and Procedure 030 - Adding an Item on the Agenda
2. Written Petition submitted by Adam Thompson dated May 17, 2023

RESOLUTION NO. 20-8895

**A RESOLUTION OF THE CITY OF SANTA CLARA,
CALIFORNIA TO REPEAL RESOLUTION NO. 20-8809,
AMEND COUNCIL POLICY 030 ENTITLED “ADDING AN ITEM
ON THE AGENDA,” AND APPROVE THE COUNCIL ITEM
REQUEST FORM**

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, amending the policy on adding an item on the agenda to establish a clear, effective and easily understood process for members of the City Council and the public to have items within the jurisdiction of the City Council placed on a meeting agenda;

WHEREAS, the amended version of the Adding an Item on the Agenda policy expands on the current policy language by clearly stating that, when a written request is first considered, discussion should be limited to whether an item should be added to an agenda and a date, not the merit of the item; and,

WHEREAS, the amended Adding an Item on the Agenda policy, attached hereto as Attachment 1, includes a Council Item Request Form for the City Council’s use when requesting an item for inclusion on a Council meeting agenda and adds the procedure for written requests from members of the City Council.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. That Resolution No. 20-8809 is hereby rescinded in its entirety.
2. That amended Council Policy 030 entitled “Adding an Item on the Agenda” with the Council Item Request Form, attached hereto as Attachment 1, is hereby approved and adopted, and the City Manager is directed to number (and renumber, as appropriate) the Council Policy Manual such that they are organized in a logical fashion.

//

//

//

3. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 27TH DAY OF OCTOBER, 2020, BY THE FOLLOWING VOTE:

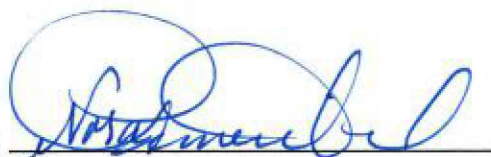
AYES: COUNCILORS: Chahal, Davis, Hardy, O'Neill, and Watanabe,
and Mayor Gillmor

NOES: COUNCILORS: None

ABSENT: COUNCILORS: None

ABSTAINED: COUNCILORS: None

ATTEST:



NORA PIMENTEL, MMC
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference:

1. Council Policy 030 entitled "Adding an Item on the Agenda"



ADDING AN ITEM ON THE AGENDA

PURPOSE

To establish a clear, effective, and easily understood process for members of the City Council and the public to have items, within the jurisdiction of the City Council, placed on the City Council agenda for consideration.

POLICY

Members of the City Council:

The Mayor or any individual Councilmember may submit a written request by using the Council Item Request Form to the City Manager's Office for inclusion of an item on a City Council agenda, provided the request is received two (2) days prior to the public release of the agenda packet. At the meeting where the request is heard, discussion should be limited to whether the item should be added to an agenda and a date, not the merit of the item.

Referral from a Council Committee:

Council Committees may submit a written request to the City Manager's Office for inclusion of an item on a City Council agenda, provided the request is received two (2) days prior to the public release of the agenda packet.

Council Committees may bring forward a recommendation to the full City Council by way of the Committee minutes, which are typically prepared within three weeks following the Committee meeting.

Items Referred During a Council Meeting:

By Council action, an item may be referred to the City Manager for inclusion on a City Council agenda. If the request requires further study of the item from staff, a full analysis shall be prepared at the direction of the City Manager with at least thirty (30) calendar days prior to the meeting, unless otherwise directed by the City Council. If the request requires more than thirty (30) calendar days to prepare, status updates will be provided to the City Council every sixty (60) days as an informational memo.



ADDING AN ITEM ON THE AGENDA

Written Petitions and Public Presentations:

Any member of the public may submit a written request raising any issue or item within the subject matter jurisdiction of the City Council to be heard under the **“Written Petition”** section of the City Council’s regular agenda within two (2) Council meetings after received. After the initial Written Petition is placed on the agenda, a majority vote of the City Council may add the item to a future Council meeting for action. Any member of the public may address the City Council under the **“Public Presentations”** section of the agenda. If the presentation includes a request of the Council, a majority vote of the City Council may refer the item to the City Manager to be properly added to a future meeting, in compliance with the Brown Act.

PROCEDURE FOR WRITTEN PETITIONS

1. All requests to address the City Council shall be submitted in writing. Written Petition forms are available for the petitioner’s convenience on the City’s website and in the City Manager’s Office, City Clerk’s Office, and the Mayor and Council Offices. Alternatively, an email may be submitted to clerk@santaclaraca.gov.
2. Once the Written Petition is received by the City Clerk’s Office, it should immediately be forwarded to the City Manager for placement on an agenda within two (2) Council meetings after receipt of the original request from the City Clerk’s Office. All written material (request and any support material) will be submitted on the agenda in the form substantially provided by the requester without any staff analysis, including fiscal review, legal review and policy review, until the City Council has had the opportunity to provide direction to the City Manager.
3. At the meeting where the item is first considered, if a majority of the City Council supports further study of the item, then a full staff analysis shall be prepared within thirty (30) days, unless otherwise directed by the City Council. Discussion should be limited to whether an item should be added to an agenda and a date, not the merit of the item.



ADDING AN ITEM ON THE AGENDA

**PROCEDURE
FOR WRITTEN
REQUESTS
FROM CITY
COUNCIL**

1. Members of the City Council shall use the Council Item Request Form to submit a written request for inclusion of an item on a future City Council agenda.
2. Once the Council Item Request Form is received by the City Clerk's Office, it should immediately be forwarded to the City Manager for placement on an agenda within two (2) Council meetings after receipt of the original request from the City Clerk's Office. All written material (Council Item Request Form and any support material) will be submitted on the agenda in the form substantially provided by the requester without any staff analysis, including fiscal review, legal review and policy review, until the City Council has had the opportunity to provide direction to the City Manager.
3. At the meeting where the item is first considered, if a majority of the City Council supports further study of the item, then a full staff analysis shall be prepared within thirty (30) days, unless otherwise directed by the City Council. Discussion should be limited to whether an item should be added to an agenda and a date, not the merit of the item.

Attachments: Council Item Request Form



The Council Item Request Form is for members of the City Council to submit written requests to the City Manager's Office for inclusion of an item on a future City Council meeting agenda. At the meeting where the initial written request is heard, discussion should be limited to whether the item should be added to an agenda and a date, not the merit of the item. A majority vote of the City Council is required for the item to be added to future Council meeting agenda for action.

CONTACT INFORMATION

Requesting Member of City Council _____

Contact E-mail _____

Contact Phone _____

Today's Date _____

WRITTEN REQUEST

I, _____, hereby request that the following item be placed on the City of Santa Clara Council and Authorities Concurrent meeting agenda:

RECEIVED

MAY 17 2023

City Clerk's Office
City of Santa Clara



**City of
Santa Clara**
The Center of What's Possible

CITY COUNCIL WRITTEN PETITION

Please provide the information requested below. When complete, please submit to the City Clerk's Office, 1500 Warburton Avenue, Santa Clara, CA 95050.

Date: 5-17-2023

I, Adam Thompson, am hereby requesting to be placed on the Santa Clara City Council Agenda for the following purpose:

The City Council has requested the planning department to revise the El Camino Real Specific Plan to better align with a community vision. The planning department has reached out to the original committee members to see if there is interest in participating in the revision process.

There are multiple committee members on the list below that have a vested interest in the outcome of the plan, creating a potential conflict of interest by a lobbyist group.

The City Council and Mayor have expressed the importance of transparency while conducting city business and this seems like an over-site that needs to be corrected.

I am requesting that the City Council reconsider the following committee members for the following reasons.
*Please see attached materials to support request.

I understand that it is important that I attend the meeting in the event there are any questions the Council wishes to ask me.

Signed:

NAME: Adam Thompson

ADDRESS: 1464 Lexington St
Street

Santa Clara 95050


City Zip Code

TELEPHONE:* (408) 731 - 0203
Optional

DATE: 5/17/2023

*NOTE: This is a public document. If your telephone number is unlisted or if you do not want it to be public, please provide an alternate number where you can be reached.

Building Industry Association (BIA) – Organization funded and made up of developers and contractors



BIA BAY AREA
BUILDING INDUSTRY ASSOCIATION

ABOUT ▾ JOIN ▾ GOVERNMENTAL AFFAIRS ▾ EVENTS ▾ WOMEN'S ▾

Executive Committee

Kelley Stough
Chair
Lennar Homes

Bob Glover
Executive Officer
BIA|Bay Area

Emily Boyd
Vice Chair - Builders
Brookfield Residential

Deana Vidal
Vice Chair - Associates
John Burns Real Estate Consulting

Todd Callahan
Secretary/Treasurer
Toll Brothers

Vince McCarrie
Immediate Past Chair
D.R. Horton

Silicon Valley Leadership Group – This group has taken money from recent developers in the city for support of said project. Attached document supporting this information.

07000 - Misc Expenses									
Misc. Develop Exp									
General Journal	01/18/2018	241		To record ENA deposit required by City of Santa Clara	10.00		10.00	1290	3.534247
Bill	02/14/2018	5685060	Old Republic Title Compan	City of Santa Clara Title report	550.00		550.00	1263	3.460274
Bill	05/01/2018	21	Kevin Moore	Printing of 50 proposed student housing packets	200.00		780.00	1187	3.252055
Check	10/29/2018	1120	Mission City Community Fl.	Contribution	5,000.00		5,780.00	1006	2.756164
Bill	10/30/2018		Santa Clara Outreach	Santa Clara Outreach costs	590.00		6,350.00	1005	2.753425
Bill	01/22/2019		Committee for West Valley	Contribution - Yes on W - Committee for West V.	1,500.00		7,850.00	921	2.523288
Bill	03/28/2019	16263	Silicon Valley Leadership C	2009 Membership fees	5,000.00		12,850.00	856	2.345205
Bill	03/28/2019	16263	Silicon Valley Leadership C	Sponsorship - GameChangers 2020 - Apr 26, 20	10,000.00		22,850.00	856	2.345205
Bill	09/11/2019		Sponsorship	Santa Clara Parade of Cha	2,500.00		25,350.00	689	1.887671
Bill	10/22/2019		Gold Sponsor	Mission City Community Fl.	5,000.00		30,350.00	648	1.775342
Bill	01/01/2020	16816	Silicon Valley Leadership C	2020 Membership fees \$4,500 + \$500 for ticket t	5,000.00		35,350.00	577	1.580822
Bill	09/21/2020		Gold Sponsor	Mission City Community Fl.	5,000.00		40,350.00	313	0.857534
Bill	10/26/2020		FPPC #1286738	Santa Clara's Police Office	5,000.00		45,350.00	278	0.761644
Bill	10/26/2020		FPPC # 1429862	Committee to Save Caltrain	5,000.00		50,350.00	278	0.761644
Bill	01/01/2021	17392	Silicon Valley Leadership C	2021 Membership fees \$4,500 + \$500 for ticket t	5,000.00		55,350.00	211	0.578082
Bill	02/22/2021		Jan Reimb	Chris Shay	745.00		56,095.00	159	0.435616
Bill	02/22/2021		Jan Reimb	Chris Shay	500.00		56,595.00	159	0.435616
Total Misc. Develop Exp					56,595.00	0.00	56,595.00		
Misc. Travel Expenses									

Commercial Real Estate Development Associate (NAIOP) – Pat Sausedo is currently a registered lobbyist in the city.

Sausedo	Patricia	Patricia Sausedo	Contract
Sheaff	Spencer	Housing Action Coalition	Business/Organization
Sherringham	Tia	DoorDash, Inc	Business/Organization
Silva	Tony	HMH Engineering	Business/Organization
Smith	Corey	Housing Action Coalition	Business/Organization

Greenbelt Alliance	General Email to abrownstevens@greenbelt.org (previous contact Kiyomi Yamamoto left)
Building Industry Association (BIA)	Dennis Martin
Chamber of Commerce	General Email to christian.malesic@svcentralchamber.com and Info@svcentralchamber.com (previous contact Domarina Ebrahimi left)
Silicon Valley Bicycle Coalition	Diana Crumedy
Silicon Valley Leadership Group	General Email to mvanderklay@svlg.org (previous contact Vince Rocha left)
Commercial Real Estate Development Associate (NAIOP)	Pat Sausedo
Silicon Valley @ Home	Mathew Reed
Santa Clara Resident	Vikas Gupta
Santa Clara Resident	Marie Mayer
Korean-American Chamber of Commerce of Silicon Valley	Ken Kim
Old Quad Resident Association	Adam Thompson
Santa Clara Resident	Howard Myers
Santa Clara Resident	Megan Mujushi
Santa Clara Resident	Shanti Dickson
Santa Clara Resident	Richard Bonito
Historical and Landmarks Commission	Ana Vargas-Smith
Senior Advisory Committee	Nancy Toledo



ORDINANCE NO. 1949

**AN ORDINANCE OF THE CITY OF SANTA CLARA,
CALIFORNIA, ADDING CHAPTER 2.155 ("REGULATION
OF LOBBYING ACTIVITIES") TO TITLE 2
("ADMINISTRATION AND PERSONNEL") OF "THE CODE
OF THE CITY OF SANTA CLARA, CALIFORNIA"**

BE IT ORDAINED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, the citizens of Santa Clara have a right to know the identity of interests which attempt to influence decisions of City government, as well as the means employed by those interests;

WHEREAS, complete public disclosure of the full range of activities by and financing of lobbyists and those who employ their services is essential to the maintenance of citizen confidence in the integrity of City government;

WHEREAS, it is in the public interest to ensure that lobbyists do not misrepresent facts, their positions or attempt to deceive a City official through false communications; do not place a City official under personal obligation to themselves or their clients; and do not represent that they can control the actions of any City official; and,

WHEREAS, it is in the public interest to adopt this chapter to ensure adequate and effective disclosure of information about efforts to lobby City government.

NOW THEREFORE, BE IT FURTHER ORDAINED BY THE CITY OF SANTA CLARA AS FOLLOWS:

SECTION 1: That Chapter 2.155("Regulation of Lobbying Activities") of Title 2 ("Administration and Personnel") of "The Code of the City of Santa Clara, California" ("SCCC") is added to read as follows:

“CHAPTER 2.155

REGULATION OF LOBBYING ACTIVITIES

Sections:

2.155.010	Interpretation.
2.155.020	Definitions.
2.155.030	Registration.
2.155.040	Annual registration renewal.
2.155.050	Termination of lobbyist status.
2.155.060	Active status.
2.155.070	Registration fees.
2.155.080	Required registration information.
2.155.090	Semi-annual reports.
2.155.100	Records retention.
2.155.110	Lobbyist identification.
2.155.120	Prohibitions.
2.155.130	Gifts.
2.155.140	Enforcement.
2.155.150	Injunction.
2.155.160	Practice restrictions.
2.155.170	Exemptions.

2.155.010 Interpretation.

Unless the term is specifically defined in this chapter or the contrary is stated or clearly appears from the context, the definitions set forth in Government Code Sections 81000 et seq., shall govern the interpretation of this Chapter.

2.155.020 Definitions.

For the purposes of this Chapter, the following definitions shall be applicable:

(a) “Activity expense” means any payment made by a lobbyist to or directly benefiting any City official, City official-elect or member of his or her immediate family. Activity expenses include gifts, honoraria, consulting fees, salaries and any other form of compensation, but do not include campaign contributions.

(b) “Administrative action” means the proposal, drafting, development, consideration, advocacy or recommendation of any rule, regulation, agreement or contract, permit, license or hiring action.

(c) “City official” means any public official, legislative staff member or City employee who participates in the consideration of any legislative or administrative action other than in a purely clerical, secretarial or ministerial capacity. It shall also include any City board or commission member, or City representative to any joint powers authority to which the City is a party, and any consultant to the City.

(d) “Client” means a person who is represented by a lobbyist.

(e) “Compensation” includes, but is not limited to, money of any denomination or origin; goods or services or anything of value, delivered or rendered; or promises to perform or provide services or contractual arrangements or awards.

(f) “Gift” means gift as defined in the California Political Reform Act, Government Code Section 81000 et seq., as amended from time to time.

(g) “Influencing” means the purposeful communication, either directly or through agents, promoting, supporting, modifying, opposing, causing the delay or abandonment of conduct, or otherwise intentionally affecting the behavior of a City official or official-elect, by any means, including, but not limited to, providing or using persuasion, information, incentives, statistics, studies or analyses; excepted from this definition is communication made as a part of a noticed governmental public meeting.

(h) “Legislative action” means the drafting, introduction, consideration, modification, enactment or defeat of any resolution, ordinance, amendment thereto, report, nomination or other action of the Mayor, City Council, Santa Clara Stadium Authority, City of Santa Clara Housing

Authority, any other joint powers authority of which the City is a party, or City board or commission, acting in its official capacity.

(i) "Lobbying" is the influencing or attempting to influence a legislative or administrative action of the City.

(j) "Lobbyist," unless exempt under Subsection 4 hereunder, means:

(1) Contract lobbyist. A person who engages in lobbying on behalf of one (1) or more clients (acting individually or through agents, associates, employees or contractors) and who has received or has entered into an agreement for compensation of one thousand dollars (\$1,000.00) or more, or equivalent non-monetary compensation ("threshold compensation") for engaging in lobbying during any consecutive three (3) month period;

(2) Business or organization lobbyist. Any business or organization, whose owner(s), officer(s) or employee(s) carry out lobbying on its behalf, in an aggregate amount of ten (10) hours or more within any consecutive twelve (12) month period, whether or not such officers or employees are specifically compensated to engage in lobbying; provided that the activities of officers shall be considered lobbying only if those officers receive compensation by the business or organization beyond reimbursement for their reasonable travel, meals or incidental expenses; or,

(3) Expenditure lobbyist. A person who makes payments or incurs expenditures of five thousand dollars (\$5,000.00) or more during any calendar year in connection with carrying out public relations, advertising or similar activities with the intent of soliciting or urging, directly or indirectly, other persons to communicate directly with any City official in order to attempt to influence legislative or administrative action. The five thousand dollars (\$5,000.00) threshold shall not include: (A) Compensation paid to contract lobbyists or employees for lobbying; or (B) Dues

payments, donations, or other economic consideration paid to an organization, regardless of whether the dues payments, donations or other economic consideration are used in whole or in part to lobby.

(k) Exemptions to “lobbyist” include:

(1) Any public official acting in his or her official capacity or acting within the scope of his or her employment or appointment;

(2) The media, when limiting its action to the ordinary course of news gathering or editorial activity, as carried out by members of the press. “Media” shall mean newspapers or any other regularly published periodical, radio or television station or network or information published on the internet;

(3) Persons reimbursed for only their reasonable travel, meals or incidental expenses, including but not limited to, uncompensated members or directors of nonprofit organizations, such as chambers of commerce;

(4) Persons whose communications regarding any legislative or administrative action are limited to appearing or submitting testimony at any public meeting held by the City or any of its agencies, offices, or departments, as long as the communications thereto are public records available for public review. Notwithstanding the foregoing, persons who otherwise qualify as lobbyists must register and disclose their lobbying activities directed toward City officials, in the same manner and to the same extent such registration and disclosure is required of all other lobbyists;

(5) Persons submitting bids or responding to requests for proposals, provided the provision of such information is limited to direct conversation or correspondence with the official or department specifically designated to receive such information;

(6) Persons providing oral or written information pursuant to a subpoena or otherwise compelled by law or regulation, or in response to an official request provided that the request and response thereto are public records available for public review;

(7) Designated representatives of a recognized employee organization whose activities are limited to communicating with city officials or their representatives regarding (i) wages, hours and other terms or conditions of employment, or (ii) the administration, implementation or interpretation of an existing employment agreement;

(8) Persons who are professionally licensed by a state licensing organization pursuant to the California Business & Professions Code, including, but not limited to, attorneys, architects and engineers; provided however, the exemption for attorneys shall only be applicable if the attorney is engaged in the practice of law with respect to the subject of the employment;

(9) Board members or employees of nonprofit 501(c)(3) corporations, unless the non-profit organization is lobbying for a specific project, issue or person for which the organization has received compensation or a contribution to lobby for or against a specific project, issue or person; or,

(10) Members of neighborhood associations.

(l) "Organization" means any person that is not an individual.

(m) "Person" means any individual, domestic or foreign corporation, for-profit or nonprofit entity, firm, association, syndicate, union, chamber of commerce, joint-stock company, partnership of any kind, limited liability company, common-law trust, society, or any other group of persons acting in concert.

2.155.030 Registration.

Lobbyists shall register with the City Clerk within fifteen (15) days after qualifying as a lobbyist under Section 2.155.020. Should a lobbyist have a change to its registration information, including, but not limited to, the legislative or administrative action for the City as to which the lobbyist has been engaged, after the annual registration period, such lobbyist shall file an amended registration with the City Clerk within fifteen (15) days of such change with the changed information.

2.155.040 Annual registration renewal.

A lobbyist shall renew his or her registration by January 15 of each year unless he or she has terminated their status as a lobbyist pursuant to Section 2.155.050, by such date.

2.155.050 Termination of lobbyist status.

After initial registration, annual registration renewal will not be required if a declaration attesting to the termination of lobbying services within the City has been filed with the City Clerk no later than January 15.

2.155.060 Active status.

All registrations, renewals and terminations will be deemed filed on the date received by the City Clerk. A lobbyist shall be deemed active for the duration of the year of registration ending December 31, unless a declaration attesting to termination of lobbying services within the City is filed.

2.155.070 Registration fees.

Persons subject to the registration requirements of this ordinance shall pay an annual fee set by resolution of the City Council. Persons registering for the first time after June 30 of a given year shall pay a reduced registration fee set by resolution of the City Council.

(a) The applicable registration fee is due at the time of registration or registration renewal. Payment will be deemed delinquent thereafter. Delinquency fees may be assessed as specified in subsection (c) below, if payment occurs after the due date.

(b) In addition to the annual fee, each registrant shall pay a fee set by resolution of the City Council per client for whom lobbying is undertaken for compensation in excess of five hundred dollars (\$500.00). The fees for clients as of the date of initial registration shall be submitted with the registration. The fees for subsequent clients shall be due and submitted within fifteen (15) days of such change with the changed information pursuant to Section 2.155.030.

(c) A fine of twenty-five dollars (\$25.00) per day for delinquent fees, up to a maximum of five hundred dollars (\$500.00), will be assessed until in compliance with the registration provisions herein.

2.155.080 Required registration information.

The initial registration shall contain the name, business address, telephone, email addresses and, if applicable, business license of all persons required to register pursuant to this Chapter, including the names of all owners of sole proprietorships and partnerships of fewer than ten (10) persons. If the registrant is a corporation, it shall also include the names of the president, secretary, chief financial officer, and agent for service of process, if any. Any business or organization registering under this act shall also briefly describe the nature of its business or organization and contact individual. In addition to this information, the report shall contain the following:

(a) Contract lobbyists. The name, business address, telephone number of each client, the nature of each client's business and the item(s) of legislative or administrative action the lobbyist is seeking to influence on behalf of the client; and the name of each person employed or retained by the lobbyist to lobby on behalf of each client.

(b) Business or organization lobbyists. The names of owners, officers or employees conducting lobbying activities and the item(s) of legislative or administrative action the lobbyist is seeking to influence.

(c) Expenditure lobbyists. The item(s) of municipal legislative or administrative action the lobbyist is seeking to influence.

(d) Payment received by the reporting lobbyist for services as a consultant or in any other capacity for services rendered to a City agency, any City official or any City official-elect or their controlled committees, any officeholder committee, or ballot measure committee. The dates of payment and name of each payer shall be included.

(e) The name, address, title and telephone number of the person responsible for preparing the report, together with that individual's signature attesting to the authority of the signatory and the accuracy and truthfulness of the information submitted.

2.155.090 Semi-annual reports.

Semi-annual reports for the prior six (6) month period are to be filed with the City Clerk on or before July 15 and January 15 of each year, whether or not any lobbying activities have occurred during such period. Electronic reporting may also be permitted by the City Clerk. Each semi-annual report shall contain the same information as required to be disclosed in the initial registration, for those activities occurring in that period. If a lobbyist has terminated all lobbying activities during such period, the lobbyist may file a declaration of termination with the semi-annual report. The final semi-annual report shall include disclosure of any lobbying activities during the period of termination.

2.155.100 Records retention.

All information, reports and statements required to be filed under the provisions of this chapter shall be compiled and preserved by the City pursuant to the City's records retention schedule and shall be open to public inspection. Copies of the records pertaining to the above-required reports shall be preserved by the lobbyist for inspection and audit for a period of four (4) years from date of production.

2.155.110 Lobbyist identification.

When appearing in a lobbying capacity at any meeting with a city official or at a public meeting of the City Council or any other city board, commission or hearing, a contract lobbyist shall identify himself/herself and the client(s) on whose behalf he/she is appearing, and a business or organization lobbyist shall identify himself/herself and the business or organization he/she represents.

2.155.120 Prohibitions.

It shall be unlawful for any lobbyist to commit any of the following acts:

(a) Unregistered Lobbying. Acting as a lobbyist in the City without having registered in compliance with this chapter, or knowingly to employ a person or entity to serve as a lobbyist when such person is not registered pursuant to this chapter.

(b) Unauthorized Communications. Sending or causing any communication to be sent to any City official in the name of any nonexistent person or in the name of an existing person without the express or implied consent of such person.

(c) Indirect Violations. Attempting to evade the requirements of this chapter through indirect efforts or through the use of agents, associates, intermediaries or employees.

(d) Creation of Obligations. Performing or sponsoring any act with the purpose and intent of placing any City official under personal obligation to the lobbyist.

(e) Contingent Compensation. Compensation for lobbying activity when the compensation is directly dependent on the result of legislative or administrative action(s) that are the subject of the lobbying activity.

2.155.130 Gifts.

It shall be unlawful for any lobbyist to deliver or cause to be delivered any gift to any City official, and for any City official to accept any gift from a lobbyist.

2.155.140 Enforcement.

Persons or entities that knowingly violate this chapter may be subject to penalties as set forth in SCCC 1.05.070.

2.155.150 Injunction.

The City Attorney may seek injunctive relief in the courts to enjoin violations of or to compel compliance with the provisions of this chapter.

2.155.160 Practice restrictions.

No person convicted of a violation of this chapter may act as a lobbyist or otherwise attempt to influence municipal legislation for compensation for one (1) year after such conviction.

2.155.170 Exemptions.

Any person who in good faith and on reasonable grounds believes that he or she is not required to comply with the provisions of SCCC 2.155.030 by reason of his or her being exempt under SCCC 2.155.020(k) shall not be deemed to have violated the provisions of SCCC 2.155.030 if, within fifteen (15) days after notice from the City, he or she either complies or furnishes satisfactory evidence to the City that he or she is exempt from registration.”

SECTION 2: Savings clause. The changes provided for in this ordinance shall not affect any offense or act committed or done or any penalty or forfeiture incurred or any right established or accruing before the effective date of this ordinance; nor shall it affect any prosecution, suit or proceeding pending or any judgment rendered prior to the effective date of this ordinance. All fee schedules shall remain in force until superseded by the fee schedules adopted by the City Council.

SECTION 3: Constitutionality, severability. If any section, subsection, sentence, clause, phrase, or word of this ordinance is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

/ / / / / /

/ / / / / /

/ / / / / /

/ / / / / /

/ / / / / /

/ / / / / /

/ / / / / /

/ / / / / /

/ / / / / /

/ / / / / /


/ / / / / /

SECTION 4: Effective date. This ordinance shall take effect thirty (30) days after its final adoption; however, prior to its final adoption it shall be published in accordance with the requirements of Section 808 and 812 of "The Charter of the City of Santa Clara, California."

PASSED FOR THE PURPOSE OF PUBLICATION this 15th day of December 2015, by the following vote:

AYES:	COUNCILORS:	Caserta, Davis, Gillmor, Kolstad, Marsalli and O'Neill and Mayor Matthews
NOES:	COUNCILORS:	None
ABSENT:	COUNCILORS:	None
ABSTAINED:	COUNCILORS:	None

ATTEST:




ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

FINALLY PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA this 12th day of January 2016, by the following vote:

AYES:	COUNCILORS:	Caserta, Davis, Gillmor, Kolstad, Marsalli and O'Neill and Mayor Matthews
NOES:	COUNCILORS:	None
ABSENT:	COUNCILORS:	None
ABSTAINED:	COUNCILORS:	None

ATTEST:



ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference: None

I:\ORDINANCES\Lobbying Ordinance 12-21-15.doc

City of Santa Clara
Registered Lobbyists as of 2/6/2023

LAST NAME	FIRST NAME	ORGANIZATION	TYPE OF LOBBYIST
Acton	Alex	Forty Niners Football Company LLC	Business/Organization
Adarkar	Prabir	DoorDash, Inc	Business/Organization
Albertson	Dustin	Forty Niners Football Company LLC	Business/Organization
Alvarez	Matthew	Housing Action Coalition	Business/Organization
Barry	Jude	Catapult Strategies Inc	Contract
Berg	Jessica	Housing Action Coalition	Business/Organization
Bini	David	Santa Clara and San Benito Counties Building and Construction Trades Council	Business/Organization
Bitbadal	Edesa	Elevate Now Consulting, LLC	Contract
Breeze	Elaine	SummerHill Apartment Communities	Business/Organization
Cacciotti	Jon	HMH Engineering	Business/Organization
Cantore	Vince	Core Affordable Housing, LLC	Business/Organization
Caple	Ellie	Forty Niners Football Company LLC	Business/Organization
Carillo	Pete	Silcion Valley Advisors	Contract
Chandhok	Rahul	Forty Niners Football Company LLC	Business/Organization
Cohen	Jean	South Bay Labor Council	Business/Organization
Cronan	Megan	HMH Engineering	Business/Organization
Cunneen	Jim	California Strategies and Advocates	Contract
Davis	Evette	BergDavis Public Affairs	Expenditure
Ebrahimi	Kevin	SummerHill Homes LLC	Business/Organization
Eimer	Stephen F.	Related Santa Clara, LLC	Business/Organization
Fong	Jeff	Forty Niners Football Company LLC	Business/Organization
Frattin	Daniel	Housing Action Coalition	Business/Organization
Gaines	Dashiell	Hunter Storm, LLC	Business/Organization
Giorgetti	Tracy	HMH Engineering	Business/Organization
Gordon	Hannah	Forty Niners Football Company LLC	Business/Organization
Guardino	Leslie	Canyon Snow Consulting, LLC	Contract
Guerra	Alicia	Buchalter	Contract
Guido	Al	Forty Niners Football Company LLC	Business/Organization
Han	Baoshan	Kylli Inc	Business/Organization
Hashimoto	Ray	HMH Engineering	Business/Organization
Himmel	Kenneth A.	Related Santa Clara, LLC	Business/Organization
Hughes	Allie	Canyon Snow Consulting, LLC	Contract
Hunter, Jr.	Derek K	Hunter Storm, LLC	Business/Organization
James	Cynthia	Noble James, LLC	Contract
Jimenez	Gabriela	BergDavis Public Affairs	Expenditure
Jimenez	Zef	HMH Engineering	Business/Organization
Johnson	Jennifer	Canyon Snow Consulting, LLC	Contract
Kaune	Jason D.	Pacific Gas and Electric Company	Business/Organization
Lama	Erin	DoorDash, Inc	Business/Organization
Larson	Matt	Canyon Snow Consulting, LLC	Contract
MacNell	Larry	Forty Niners Football Company LLC	Business/Organization
Matthews	Emily	Forty Niners Football Company LLC	Business/Organization
Mezzetti	Robert L.	Mezzetti Law Firm, Inc.	Contract
Meyersick	Andrew	California Strategies and Advocates	Contract
Miller	Russell H.	Forty Niners Football Company LLC	Business/Organization
Moore	Kevin	Kevin Moore	Contract
Payne	Christopher	DoorDash, Inc	Business/Organization
Pirayou	Ash	Rutan & Tucker	Contract
Poppe	Patricia	Pacific Gas and Electric Company	Business/Organization
Rodriguez	Leslie	California Strategies and Advocates	Contract
Ross	Stephen M.	Related Santa Clara, LLC	Business/Organization
Rupert	Joshua	Hunter Storm, LLC	Business/Organization
Sapirman	Ali	Housing Action Coalition	Business/Organization

[illegible]

NOSSAMAN LLP
BRENDAN F. MACAULAY (SBN 162313)
bmacaulay@nossaman.com
DAVID C. LEE (SBN 193743)
dlee@nossaman.com
50 California Street, 34th Floor
San Francisco, CA 94111
Telephone: 415.398.3600
Facsimile: 415.398.2438

**Electronically Filed
by Superior Court of CA,
County of Santa Clara,
on 3/4/2022 5:52 PM
Reviewed By: J. Ngo
Case #22CV393667
Envelope: 8439032**

NOSSAMAN LLP
GABRIELA S. PÉREZ (SBN 322161)
gperez@nossaman.com
777 South Figueroa Street, 34th Floor
Los Angeles, CA 90017
Telephone: 213.612.7800
Facsimile: 213.612.7801

Attorneys for Defendant CITY OF SANTA CLARA

NO FEE DUE– GOVERNMENT CODE § 6103

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SANTA CLARA

REPUBLIC METROPOLITAN, a Delaware
LLC,

Plaintiff,

vs.

CITY OF SANTA CLARA, a municipal
corporation; and DOES 1 through 10, inclusive,

Defendant.

Case No: 22CV393667

Assigned for all purposes to:
Hon. Drew Takaichi

**DECLARATION OF BRENDAN F.
MACAULAY IN SUPPORT OF
DEMURRER OF CITY OF SANTA
CLARA TO PLAINTIFF REPUBLIC
METROPOLITAN'S COMPLAINT AND
MOTION TO STRIKE PORTIONS OF
PLAINTIFF'S COMPLAINT**

Date:
Time: 9:00 a.m.
Dept.: 2

Date Action Filed: January 24, 2022
Trial Date: None

1 **DECLARATION OF BRENDAN F. MACAULAY**

2 I, Brendan F. Macaulay, declare as follows:

3 1. I am an attorney duly admitted to practice before this Court. I am a partner at
4 Nossaman LLP, attorneys of record for Defendant City of Santa Clara (“City”). I have personal
5 knowledge of the facts contained in this Declaration and if called upon to do so, I could and
6 would competently testify thereto. I submit this declaration in accordance with Code of Civil
7 Procedure section 435.5 and 430.31, subdivision (a), to establish that the parties met and
8 conferred prior to the City’s filing of its Demurrer to Plaintiff Republic Metropolitan’s
9 (“Plaintiff”) Complaint (“Complaint”) and Motion to Strike Portions of Plaintiff’s Complaint.

10 2. On February 15, 2022, I wrote to Plaintiff’s counsel, Joseph W. Cotchett and Ann
11 M. Ravel, explaining the grounds for the City’s anticipated demurrer and motion to strike.
12 Attached hereto as **Exhibit A** is a true and correct copy of my February 15, 2022 letter. We
13 thereafter scheduled a meet and confer February 22, later rescheduled for February 23, 2022.

14 3. On February 22, 2022, Mr. Cotchett sent me a letter rejecting the points raised in
15 my February 15, 2022 letter and declining to make any changes to the Complaint. Attached
16 hereto as **Exhibit B** is a true and correct copy of the February 22, 2022 letter.

17 4. Thereafter, on February 23, 2022, I met and conferred telephonically with
18 Plaintiff’s counsel, Mr. Cotchett and Tamarah Prevost. On February 24, 2022, I was notified by
19 Mr. Cotchett that Plaintiff had not altered its position and would not be amending its Complaint.

20 5. On February 24, 2022, Plaintiff provided the City with an extension to respond to
21 Plaintiff’s Complaint, making the new deadline to file a response (the demurrer and motion to
22 strike) March 4, 2022.

23 6. On February 15, 2022, I served Plaintiff with a Demand for Bill of Particulars,
24 pursuant to Code of Civil Procedure section 454. On March 2, 2022, Plaintiff served its response
25 to the City’s Demand for Bill of Particulars. Attached hereto as **Exhibit C** is a true and correct
26 copy of Plaintiff’s response to the City’s Demand for Bill of Particulars.

27 ///

28 ///

1 I declare under penalty of perjury under the laws of the state of California that the
2 foregoing is true and correct.

3 Executed this 4th day of March, 2022 in San Francisco, California.

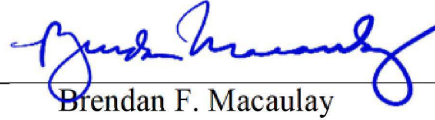
4 
5 _____
6 Brendan F. Macaulay
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT A



ATTORNEYS AT LAW

50 California Street
34th Floor
San Francisco, CA 94111
T 415.398.3600
F 415.398.2438

Brendan F. Macaulay
D 415.438.7204
bmacaulay@nossaman.com

Refer To File # 300201-0007

VIA EMAIL

February 15, 2022

Joseph W. Cotchett
James G. Dallal
Tamarah P. Prevost
COTCHETT, PITRE & McCARTHY, LLP
San Francisco Airport Office Center
840 Malcolm Road, Suite 200
Burlingame, CA 94010
jcotchett@cpmlegal.com
jdallal@cpmlegal.com
tprevost@cpmlegal.com

Ann M. Ravel
RAVEL LAW
25 Central Avenue
Los Gatos, CA 95030
ann.ravel@gmail.com

Re: *Republic Metropolitan v. City of Santa Clara, et al.*
Santa Clara Superior Court Case No. 22CV393667

Dear Counsel:

Nossaman LLP has been retained to represent the City of Santa Clara with respect to the above-referenced case. The purpose of this letter is to meet and confer with you about various deficiencies in the complaint, in advance of a potential demurrer and motion to strike.

Deficiencies In Causes Of Action

1. First Cause of Action for Alleged Violation of the Housing Accountability Act.

Plaintiff's sole remedy under the Act is to seek a writ of mandamus under Code of Civil Procedure § 1094.5. Government Code § 65589.5(m) ("Any action brought to enforce the provisions of this section shall be brought pursuant to Section 1094.5 of the Code of Civil Procedure ..."). The Complaint does not seek such a remedy. Moreover, Plaintiff failed to verify the Complaint, as is also required. Further, Plaintiff fails to identify the grounds upon which the mandamus is based, as required by Code of Civil Procedure 1094.5(b).

Second, the HAA claim is untimely under Government Code § 65589.5(m), given that the acts complained of occurred in 2020 at the latest, and potentially as early as 2019.

Finally, Plaintiff does not allege the predicate act to a HAA claim. Among other things, the City did not "disapprove the housing development project" as that term is defined by the HAA. Government Code § 65589.5(h)(6).

2. Second Cause of Action for Negligent Misrepresentation.

First, this claim fails because the City is immune from negligent misrepresentation claims under Govt. Code § 818.8, which provides, “A public entity is not liable for an injury caused by misrepresentation by an employee of the public entity, whether or not such misrepresentation be negligent or intentional.”

Second, even if the City were not immune from this type of claim, the claimed misrepresentations at issue are not actionable against any defendant. Here, there are two “misrepresentations” that were allegedly made:

- Plaintiff claims the City made a “misrepresentation by omission” by failing to tell Plaintiff something, namely, that SLA might be an impediment to development. ¶ 158(d). Plaintiff elsewhere alleges that the City’s entering into the ENA is an implied representation that the property was developable. ¶105 (by entering into the ENA, the City “sent a message to REMET that the SLA would not prevent the project from going forward”). However, implied misrepresentations are not actionable. *Randi W. v. Muroc Joint Unified Sch. Dist.*, 14 Cal. 4th 1066, 1083 (1997) (“The tort of negligent misrepresentation requires a ‘positive assertion’ and does not apply to implied misrepresentations.”).

- Plaintiff’s other claimed misrepresentations are likewise not actionable and cannot be relied upon. The other alleged misrepresentations were legal statements about the developability of the property. However, those dealing with a public agency are presumed to know the law with respect to any agency’s authority to contract. *Amelco Electric v. City of Thousand Oaks*, 27 Cal. 4th 228, 242 (2002) (“One who makes a contract with a municipal corporation is bound to take notice of limitations on its power to contract and also of the power of the particular officer or agency to make the contract.”); *G.L. Mezzetta, Inc. v. City of American Canyon*, 78 Cal.App.4th 1087, 1093–1094 (2000). Assuming these statements were actually made, these are legal opinions that cannot be reasonably relied upon by Plaintiff. Plaintiff was represented by competent counsel and it cannot sue an opposing party for what is essentially a claim of legal malpractice.

Finally, even if Plaintiff could sue for negligent misrepresentation, such a claim is not properly pled. Negligent misrepresentation is a species of fraud that must be pled with specificity. *Small v. Fritz Companies, Inc.*, 30 Cal. 4th 167, 184 (2003) (claims for negligent misrepresentation must adhere to the same heightened pleading standards as claims for fraud). “Averments of fraud must be accompanied by ‘the who, what, when, where, and how’ of the misconduct charged.” *Vess v. Ciba-Geigy Corp. USA*, 317 F.3d 1097, 1106 (9th Cir. 2003). Plaintiff fails to plead any specifics about the claimed misrepresentations. ¶ 158(a)-(c).

3. Third Cause of Action for Specific Performance – Entry of Disposition and Development Agreement.

As an initial matter, any claim for breach of contract must allege the terms of the contract in *haec verba* or attach the contract that was supposedly breached. Plaintiff sues under an ENA that it claims was amended for the 3rd time. ¶ 168. But Plaintiff does not attach any such amendment or describe the terms of the third amendment. Nor does Plaintiff allege the terms of the DDA that it requests that the Court compel.

Secondly, the Court cannot order specific performance of an expired contract. The ENA expired of its own accord according to the Complaint. Plaintiff alleges the parties signed an ENA on February 6, 2018 and amended it twice – on February 8, 2019 and November 12, 2019. ¶¶ 166, 173. Plaintiff further alleges that, per the November 12, 2019 amendment, ENA was to expire on August 5, 2020. Plaintiff alleges that the City (but not VTA) agreed to extend the ENA for the third time if: (a) Plaintiff provided a second well; (b) Plaintiff would indemnify City from any SLA liability; and (c) a final term sheet was accomplished by November 2020.

Plaintiff does not allege that it never accepted these three conditions to the third amendment to the ENA that might have extended its effect beyond August 2020. Instead, Plaintiff alleges that it orally accepted the SLA indemnity provision on July 6, 2021. Complaint, Exhibit L, last page, ¶ 132, (“Ms. Macy first clarified that there existed a change to the prior posture in that REMET would now provide the indemnity for any activity pursuant to the Surplus Land Act, ‘as requested by the City Attorney.’”). Plaintiff does not allege that the Plaintiff ever agreed to the second well site, and concedes that its belated, partial change of heart occurred long after the November 2020 deadline that was one of the City’s conditions for amending the ENA for a third time. Nor does Plaintiff allege that the VTA ever agreed to an extension under any terms agreed to by Plaintiff. Thus, according to Plaintiff’s allegations, the ENA expired on August 5, 2020.

Finally, the Court cannot order parties to sign a definitive agreement. *Copeland v. Baskin Robbins*, 96 Cal. App. 4th 1251 (2002) (“The law provides no remedy for breach of an agreement to agree because the court may not imply what the parties will agree upon.”). Plaintiff is not seeking specific performance of the (expired) ENA, but instead requests a pointless order that two of the three parties execute a definitive agreement (a potential agreement that might result from bargaining during an ENA). Plaintiff is requesting relief that is expressly contrary to the terms of the ENA itself. Paragraphs 2 and 21 of the ENA provides that the City not obligated to enter into a DDA, and that any DDA is effective only if approved by the City and the VTA. Here, the VTA is not a party to this action, is not alleged to have done anything wrong, and could not be compelled to sign a DDA even if the City and Plaintiff agreed to terms. Moreover, the ENA limits Plaintiff’s remedies to the return of certain deposits, and precludes the relief requested. ENA ¶ 25, Exhibit B to Complaint.

4. Fourth Cause of Action for Breach of Contract (Damages).

This cause of action seeks money damages for breach of the (expired) ENA based on six claimed breaches identified in ¶ 175(a) – (f). Each is addressed below in turn:

(a) Plaintiff generally alleges that the City breached the ENA by failing to negotiate in good faith. Plaintiff does not identify what specifically the City did that would constitute such a breach. Even if claim were adequately alleged and eventually proven, Plaintiff cannot recover the damages claimed. Plaintiff seeks unspecified “economic damages” in an amount proven at trial. It is unclear if Plaintiff seeks the \$3.5 million incurred in alleged reliance on misrepresentations or unspecified lost profits¹ from the contemplated project. Neither measure of damages is recoverable here because the parties expressly outlined what relief was available for breach, and waived any other remedy. Paragraph 25 of the ENA provides:

¹ In addition to being too speculative to recover, it is well settled that lost profits are legally unavailable for breach of an ENA. *Copeland v. Baskin Robbins*, 96 Cal. App. 4th 1251 (2002).

(a) Default. Failure by a party to negotiate in good faith as provided in this Agreement shall constitute an event of default hereunder. The non-defaulting party shall give written notice of a default to the defaulting party, specifying the nature of the default and the required action to cure the default. If a default remains uncured thirty (30) days after receipt by the defaulting party of such notice, the non-defaulting party may exercise the remedies set forth in subsection (b).

(b) Remedies. In the event of an uncured default by either of the Owners, the Developer's sole remedy shall be to terminate this Agreement, upon which termination the Developer shall be entitled to the return of the unexpended portion of the Negotiation Deposits and any interest earned thereon, provided, however, if the uncured default is the result of the City's or VTA's gross negligence or willful misconduct, the Developer's remedies shall include return of the original amount of the Negotiation Deposits. Following such termination and the return of the appropriate amount of the Negotiation Deposits and any interest earned thereon, no party shall have any further right, remedy, or obligation under this Agreement; provided, however, that the Developer's indemnification obligation pursuant to Section 24 shall survive such termination.

...
Except as expressly provided above, no party shall have any liability to the other for damages or otherwise for any default, nor shall a party have any other claims with respect to performance under this Agreement. Each party specifically waives and releases any such rights or claims it might otherwise have at law or in equity.

Thus, Plaintiff's sole remedy under the ENA for any "uncured default by either of the Owners" is a refund of the unexpended portion of the \$50,000 in deposits.² However, there are no allegations that:

- Plaintiff provided a written notice of default;
- The City failed to cure an alleged default;
- Plaintiff terminated the ENA; or
- Plaintiff was entitled to any funds from \$50,000 (e.g., there were any unexpended funds available to refund).

Plaintiff instead alleges that the City never "manifested any intention" of providing an accounting or returning any portion of the deposits. Of course, the Court may ignore this allegation because it flatly contradicts the City's November 12, 2020 letter (Exhibit H to the Complaint) offering to refund any unexpended deposits. In any event, because the City had no obligation to refund anything, any claimed failure in that regard cannot constitute a breach. And again, there are no allegations that Plaintiff notified the City of any default in this regard or terminated the ENA.

² The ENA permits the City to use the deposits for project-related expenses. The City must only refund unused portions if the City had breached the ENA. A full refund of the entire deposits could be required only if the City engaged in "gross negligence or willful misconduct," which is not alleged. Paragraph 25 also bars all of Plaintiff's non-contract claims.

(b), (c), (d) and (f). Four of the six claimed breaches of the ENA all pertain to purely *internal* communications between the City staff/attorneys and the City Council. ¶¶175 (b) – (f) (pp. 66-67). For example, Plaintiff alleges that attorneys/staff “advised the City Council inaccurately and fraudulently.” ¶¶ 175 (b), (c) and (f). These internal communications are not actionable. Not surprisingly, Plaintiff does not cite any specific duties as support for these allegations of breach, other than a general duty to negotiate in good faith during the term of the agreement in ¶ 1 of the ENA. Of course, these internal communications were not negotiations with Plaintiff.

(e) Plaintiff’s final claimed breach is that the City failed to extend the ENA. ¶ 175(e). Plaintiff does not cite any contractual duty to extend the ENA, and none exists. By that flawed logic, contracts could never expire. To the contrary, any extensions of the ENA are within the City’s discretion under ¶ 2 of the ENA – without any good faith or other restrictions on the exercise of that discretion.

In short, even if Plaintiff could allege a claim for breach of contract (which it has not), its remedies are drastically limited by contract.

5. Fifth Cause of Action for Breach of The Implied Covenant of Good Faith and Fair Dealing.

Plaintiff’s breach of the implied covenant claim is virtually identical to the claim for breach of contract. It alleges the identical six acts that supposedly established a breach of contract. Compare ¶ 175 (a)–(f) to ¶ 181(a)–(f). The only difference in those allegations is that Plaintiff removed the citations to the contract in the cause of action for breach of the implied covenant (although such citations are still incorporated by reference per ¶178). Plaintiff cannot sue for breach of implied covenant for any obligations found in the contract, as Plaintiff alleges they are. *Careau & Co. v. Security Pacific Business Credit Inc.*, 222 Cal.App.3d 1371, 1395 (1990) Otherwise, this would create tort liability for breach of contractual obligations. And, of course, the ENA precludes any non-contract claims.

6. Quantum Meruit / Unjust Enrichment / Restitution.

Plaintiff cannot sue the City for *quantum meruit* or any common count. *Amelco Electric v. City of Thousand Oaks*, 27 Cal.4th 228 (2002); *Lundeen Coatings v Dept. of Water and Power*, 232 Cal.App.3d 816 (1991). In *Sheppard v. North Orange County Regional Occupational Program*, 191 Cal.App.4th 289 (2010), the trial court properly sustained the demurrer to the *quantum meruit* claim because such a claim cannot be asserted against a public entity. Government Code section 815 states: “Except as otherwise provided by statute: [¶] (a) A public entity is not liable for an injury, whether such injury arises out of an act or omission of the public entity or a public employee or any other person.” The Legislative Committee Comment to section 815 states: “This section abolishes all common law or judicially declared forms of liability for public entities, except for such liability as may be required by the state or federal constitution....” (Legis. Com. com., 32 West’s Ann. Gov.Code (1995) foll. § 815, p. 167). See also, *Katsura v. City of San Buenaventura*, 155 Cal.App. 4th 104, 109-110 (2007) (“It is settled that “a private party cannot sue a public entity on an implied-in-law or quasi-contract theory, because such a theory is based on quantum meruit or restitution considerations which are outweighed by the need to protect and limit a public entity’s contractual obligations.”)

Labeling this *quantum meruit* claim as “unjust enrichment” or “restitution” does not help Plaintiff because neither is an actual cause of action. California courts have repeatedly held that “there is no cause of action in California for unjust enrichment.” *Everett v. Mountains Recreation and Conservancy Authority*, 239 Cal.App.4th 541, 553 (2015); *Melchior v. New Line Prods., Inc.*, 106 Cal.App.4th 779, 794 (2003) (affirming trial court’s dismissal of “unjust enrichment” claim on the ground that California law does not recognize such a cause of action). Restitution is likewise a remedy and not a cause of action on its own. (See *Munoz v. MacMillan*, 195 Cal. App. 4th 648, 661 (2011) (“There is no freestanding cause of action for ‘restitution’ in California.”); *McBride v. Boughton*, 123 Cal.App.4th 379, 387 (2004) (restitution is a remedy, not a cause of action); *Dean Witter Reynolds, Inc. v. Superior Court*, 211 Cal.App.3d 758, 774 (1989)(restitution is a form of equitable relief.)

Allegations of the Complaint that Should Be Stricken.

In addition to the deficiencies outlined in the Complaint above, the Complaint contains pages upon pages of inappropriate and irrelevant allegations that have no place in a pleading. As you know, the court may strike any “irrelevant, false or improper matter inserted in any pleading.” Code of Civil Procedure § 436. Regardless of the outcome of any demurrer, the following portions of the Complaint must be removed:

1. Inflammatory/Irrelevant Allegations Re Brian Doyle and Others.

The Complaint contains multiple allegations relating to Brian Doyle that have no place whatsoever in the Complaint, including his salary, his photo, the circumstances of his separation from the City, and other alleged conduct that is wholly unrelated to Plaintiff’s claims. The Complaint does not even pretend to tie these extraneous allegations to any of Plaintiff’s claims, such as any conceivable relevance of Mr. Doyle’s salary to this case. Instead, these allegations appear to be acts of retaliation and vengeance that Plaintiff intended to cloak with the litigation privilege of Civil Code § 47(b). Worse, Plaintiff’s allegations appear to be intended to send a message to other staff, members of the City Council or anyone else that, if they dare to oppose REMET’s project, they can expect to be harassed in future pleadings. For these reasons, the following allegations must be removed:

- 14:12-21 (¶ 32 (Partial: photo & caption))
- 14:25-28 (“... and has now been terminated due to his many acts... a salary of \$390,000 per year.”)
- 23:14-28 (Entirety of Heading 3, ¶ 55 & nn. 5-6)
- 24:1-28 (Entirety of ¶¶ 56-57 & nn.7-8)
- 24:22-25:6 (Entirety of Heading 4 and ¶58)
- 25:7-25 (photos & captions)
- 25:26-26:13 (Entirety of ¶¶ 59-60)
- 26:23-28 (Entirety of footnotes 9-11)
- 33:5-19 (Entirety of ¶ 70)

2. Irrelevant and Improper Diatribes About Affordable Housing.

Plaintiff's Complaint contains 191 paragraphs spanning 73 pages. Numerous pages are filled with extraneous diatribes/editorialization about affordable housing generally, including citations to irrelevant newspaper articles and purported quotations from Gavin Newsom. These allegations are a transparent attempt by Plaintiff to cloak itself in the mantle of a socially popular endeavor – affordable housing – when in reality this housing project was a for-profit endeavor designed to provide student housing across the street from Santa Clara University. See, e.g. Exhibit A to Complaint (“I am pleased to submit this proposal ... for the development of a purpose-built student housing project.”). Ironically, one reason the ENA expired was Plaintiff's refusal to indemnify the City against the potential SLA liability if the property was not first offered to affordable housing developers.

But even if Plaintiff's project were actually about affordable housing, the allegations do not belong in the Complaint. The following allegations should be stricken for that reason:

- 4:1-16 (Entirety)
- 4:18-21 (Portion of ¶ 1 - “Confronted with ... unjustifiably thwarted.”)
- 4:24-5:13 (Entirety of ¶¶2-3)
- 8:25-9:5 (Entirety of Heading B and ¶ 12)
- 9:19-23 (Portion of ¶ 14)
- 9:25-27 (Portion of ¶ 15 - The CITY, however, has ... market-rate housing.”)
- 16:4-17:24 (Entirety of Heading A.1 and ¶¶ 38-42)
- 17:25-18:1 (¶ 43 “The need to address environmental concerns ... expansion of transit networks.”)
- 19:1-28 & nn.1-2 (Entirety of ¶¶ 44-45 and footnotes 1-2)
- 20:1-4 (Entirety of Heading 2 and ¶ 46)
- 21:8-23:13 (Entirety of ¶¶ 49-54 and footnotes 3-4)

3. Irrelevant Allegations About the Brown Act.

Plaintiff has no claim for an alleged violation of the Brown Act. Thus, there is no relevance for entire paragraphs and other allegations on this topic, let alone legal conclusions and pontification about the Act generally. The following allegations should be removed:

- 47:23-48:3 (Entirety of ¶ 115)
- 51:1-7 (Entirety of Heading 5 and ¶ 123)

4. Irrelevant and Improper Claims of Damages.

As indicated above, even if Plaintiff were to establish an uncured default of the ENA by the City, Plaintiff's potential recovery is limited to a refund of the unused portion of the \$50,000 in deposits. Notwithstanding this limitation, the Complaint repeatedly alleges and prays for damages far beyond that – variously described as \$3.5 million in reliance damages, and \$5

million in economic benefits conferred or unjustly retained. These allegations are legally irrelevant, improper and should be removed:

- 65:1-3 (Entirety of ¶ 163)
- 72:25-26 (Portion of ¶188 - "and thereby improved ...to be determined at trial.")
- 73:27-74:1 (Entirety of ¶ 189)
- 73:4-6 (Entirety of ¶ 190)
- 73:7-8 (Entirety of ¶ 191)

Conclusion.

By close of business on February 16, please provide me with your availability for a video or telephonic session on or before February 21 to meet and confer regarding the foregoing. Because we have laboriously outlined our position above, please be ready to state how the Complaint will be amended in light of the foregoing. We look forward to speaking with you.

Very truly yours,



Brendan F. Macaulay
Nossaman LLP

BFM:al

EXHIBIT B

LOS ANGELES

LAW OFFICES
COTCHETT, PITRE & McCARTHY, LLP
SAN FRANCISCO AIRPORT OFFICE CENTER
840 MALCOLM ROAD
BURLINGAME, CA 94010
TELEPHONE (650) 697-6000
FAX (650) 697-0577

NEW YORK

Twenty-Second Day of
February 2022

Brendan F. Macaulay
Nossaman LLP
50 California Street, 34th Floor
San Francisco, CA 94111

**Re: Republic Metropolitan v. City of Santa Clara, et al.,
Santa Clara Superior Court, Case No. 22CV393667**

Dear Mr. Macaulay:

This letter responds to your letter of February 15, 2022 regarding the City's anticipated demurrer and motion to strike in the above-captioned action. Per our email exchange, we will also be speaking with you on Wednesday, February 23 at 4:00 p.m.

The substance of your letter is interwoven with a host of fact disputes that render ReMet's claims sufficiently pled, and not susceptible to demurrer. The complaint also lays out in detail the specific acts and omissions giving rise to ReMet's claims, at least to the extent those acts were not willfully concealed by the City's employees and agents. We therefore decline to amend the allegations, but remain willing to meet and confer further on this issue when we speak. As for the City's specific points challenging ReMet's claims, we can offer the following.

1. First Cause of Action – Housing Accountability Act

Regarding the Housing Accountability Act, we note that the letter does not cite any authority adopting the view that a party aggrieved by an agency's violations of HAA are not redressable in civil litigation. The affordable housing community backs this effort, and we believe that the State government feels the same way. The claim is unquestionably timely, as the City withheld all information regarding its decision to terminate the project until November 12, 2020, and ReMet, after having its attempts at dialogue twice suppressed, followed the designated procedures for filing a claim against the City within the allowed time period. As for the notion that the City did not "disapprove the housing development project," that same letter says otherwise. And if

the City's position is that ReMet is constrained to challenge the specific act or decision disapproving the project via a writ of mandamus, our view is that the City excused that obligation when it rendered the decision in secret in violation of the Brown Act.

2. Second Cause of Action – Negligent Misrepresentation

The letter cites little authority regarding the second cause of action for negligent misrepresentation. The City is presumed to know the law, and the gravamen of ReMet's claim is that the City misrepresented the law. The claim is one for negligent misrepresentation, not the equally available theory of fraudulent misrepresentation, and regardless of whether specificity is required, ReMet's complaint offers enough specificity to meet the heightened standard.

3. Third through Fifth Causes of Action – Contract Claims

It is always permissible to plead in the alternative. Under ReMet's theory, the signed agreements and course of performance do in fact give rise to contractual obligations, albeit obligations the City ultimately repudiated, thereby leaving ReMet in the lurch and out millions. A party to a contract cannot deliberately sabotage performance and frustrate the purpose of the deal during the contract term, wait until the original written instrument is in some formal sense "expired," and then disclaim all responsibility to perform on that basis.

4. Sixth Cause of Action – Quantum Meruit

As for the letter's approach to the sixth cause of action, we believe it overstates the breadth and rigidity of the rules it draws from these cases, and we moreover note that they appear to address fact scenarios readily distinguishable from the fact pattern here. We also do not find illuminating the City's general invocation of sovereign immunity, especially given that ReMet scrupulously followed the framework for claims against public entities laid out in Government Code § 900 *et seq.*

5. Factual Representations to Be Stricken

The City also asks that ReMet reconsider certain of the factual material included within the complaint to support its allegations. These will remain as originally submitted. We find it curious that the City would claim an interest in shielding from public scrutiny the actions of its former city attorney, whom the City Council summarily dismissed several months ago following a firestorm of criticisms related to his job performance. The former city attorney's actions and legal advice are directly relevant to ReMet's claims. ReMet's allegations recount the publicly relevant, public-facing acts of public officials who took certain official public action in their official public capacities while earning

salaries paid in public taxpayer dollars. This is important subject matter to include in a public lawsuit. And in a state that fully embraces the view that sunshine is the best disinfectant, a contrary rule barring disclosure of these facts would be wrong. As you know, there has been some very serious press regarding the conduct and operations of the City Council. I enclose but one recent example of what employees of the City have told the press, and numerous people concerned, about its operations. Apart from the censuring of certain Council members—recently—Chris Jackson, a representative of City employees, told the Council last week that a survey had found City staff “frustrated and disheartened” by the council’s inability to follow its code of ethics, and added:

This ongoing animosity, inappropriate, offensive and sometimes flat out inaccurate information from council during public meetings is not only embarrassing, but against the city’s harassment, bullying and ethics and values policies. . . . Slowly the code of ethics and values has eroded as council members gradually push the boundaries of unacceptable behavior on the dais and in their public roles as city officials.

The other portions of the complaint flagged by the City will also remain. There is no rule that calls for the striking of allegations in a lawsuit solely because the defendant chooses to characterize them as “diatribes.” The affordable housing community stands firmly with ReMet, as will be made plain in future filings. That the City violated the Brown Act in terminating the project is incontrovertibly relevant to the overall legality, and fairness, of its actions, regardless of whether ReMet has chosen to bring a standalone claim under that statute. The litigation will also afford the parties ample opportunity to prove up the amount of damages at issue.

We look forward to speaking about these matters on Wednesday.

Stay well,

JOSEPH W. COTCHETT

Encl.

Cc: Ann Ravel
James G. Dallal
Tamarah P. Prevost
Kathleen D’Elia

Resignation

FROM PAGE 1

fused to let Councilmember Kevin Park — the council's only Korean American — speak at a "Stop Asian Hate" rally.

On two separate occasions last year, residents brought forward petitions to the council to censure Councilmember Anthony Becker and Park. They complained about Becker for "retaliating against a member of the public" during a meeting and Park for comments he made comparing single family homeowners not being able to design a city to asking toddlers what they want for lunch.

Neither was censured, but Becker ended up meeting with the resident to clear the air.

Top city officials are also fed up with the council, according to Chris Jackson, the president of Unit 9 — a union that represents unclassified managers. Jackson told the council last week that a recent survey of Unit 9 employees found them to be "frustrated and disheartened" by the council's inability to follow its code of ethics and "respectfully work with city management."

"This ongoing animosity, inappropriate, offensive and sometimes flat out inaccurate information from council during public meetings is not only embarrassing, but against the city's harassment, bullying and ethics and values policies," Jackson said. "Slowly the code of ethics and values has eroded as council members gradually push the boundaries of un-

acceptable behavior on the dais and in their public roles as city officials."

Jackson emphasized that each council member had cast "the first stone."

The lack of a city attorney is also looming over the city. In September, the council fired Brian Doyle from the position. At the time, Gillmor said that Vice Mayor Suds Jain and Councilmembers Raj Chahal, Karen Hardy, Park and Becker voted to terminate Doyle.

Nearly six months since Doyle was axed, the city remains without an attorney and continues to struggle with hiring assistant city attorneys. It's caused the city to turn to a "whack-a-mole" approach to legal services, focusing on litigation first, which has created delays in everything from creating council

agenda reports to Silicon Valley Power contracts, according to Santana.

City spokesperson Lon Peterson said the council has yet to announce a timeline for hiring a new attorney, however, a bid posted last year said an interim city attorney should have started Jan. 18.

Gillmor did not respond to a request for comment, but during the meeting, said that the council majority firing Doyle "at the request of the 49ers" has created "ripple effects" throughout the city. During the 2020 election, 49ers owner Jed York spent several million dollars on an independent expenditure committee backing three of the current council members: Becker, Park and Jain.

"I think that this council can't take action like

an 11 to 14% vacancy rate. Now, it's 17%.

"We have some known workplace conditions that add to retention, but it's those same known workplace conditions that add to our challenges to make it harder for us to recruit, as well," Santana said at the Feb. 8 meeting.

The city has especially struggled to hire someone to help fulfill California Public Records Act requests. The first person quit after just five days on the job, citing a hefty workload that eclipsed the

one they had while working for the city of San Jose. A second person handed in their resignation after watching a single council meeting, and a third, who was offered the job, also withdrew their candidacy after watching a council meeting.

"We just took it off for now because it had been up for so long," Santana said of the job listing. "It became embarrassing for the organization to have such an open unfilled position given the history and the likelihood of public sector

employees knowing the history of that position."

Over the last year, the council has struggled with unusually long meetings that often descend into accusations of filibustering and collusion with the 49ers, smirking at other council members' remarks and shouting over one another on Zoom.

In April 2021, the council censured Councilmember Kathy Watanabe and admonished Mayor Lisa Gillmor when Watanabe re-

RESIGNATION » PAGE 2

The freshman councilmember added that the council needs to "turn over a new leaf," "take away the politics" and focus on the residents.

In an email, Peterson said the council will continue its priority setting meeting on March 1 when there will be a "continued discussion on governance and council collegiality."

"City staff is requesting that city council help pace the city's work to allow staff to focus on the critical priority of our fiscal condition and employee work-life balance given the reduction in staff capacity (productivity hours)," he said. "Like other organizations, COVID has placed new stressors on city staff and staff has absorbed delivering services during COVID while sustaining day-to-day operations."

EXHIBIT C

1 JOSEPH W. COTCHETT (SBN 36324)
jcotchett@cpmlegal.com

2 JAMES G. DALLAL (SBN 277826)
jdallal@cpmlegal.com

3 TAMARAH P. PREVOST (SBN 313422)
tprevost@cpmlegal.com

4 **COTCHETT, PITRE & MCCARTHY**

5 San Francisco Airport Office Center

840 Malcolm Road, Suite 200

6 Burlingame, CA 94010

7 Telephone: (650) 697-6000

Facsimile: (650) 697-0577

8 ANN M. RAVEL (SBN 62139)

9 **RAVEL LAW**

25 Central Avenue

10 Los Gatos, CA 95030

Telephone: (408) 458-0719

11 ann.ravel@gmail.com

12 *Attorneys for Plaintiff Republic Metropolitan LLC*

14 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

15 **IN AND FOR THE COUNTY OF SANTA CLARA**

16 **REPUBLIC METROPOLITAN, a**
17 **Delaware LLC,**

18 **Plaintiff,**

19 **v.**

20 **CITY OF SANTA CLARA, a municipal**
21 **corporation; and DOES 1 through 10,**
22 **inclusive,**

23 **Defendants.**

Case No. 22CV393667

**PLAINTIFF'S RESPONSE TO DEMAND
FOR BILL OF PARTICULARS**

Action Filed: January 24, 2022

1 Plaintiff REPUBLIC METROPOLITAN, a Delaware LLC (“Plaintiff” or “REMET”)
2 hereby responds to the Demand for Bill of Particulars (the “Demand”) of Defendant CITY OF
3 SANTA CLARA, a municipal corporation (“Defendant” or “City”), as follows:

4 Plaintiff objects to the Demand on the grounds that it is overbroad, unduly burdensome
5 and exceeds the scope of California Code of Civil Procedure Section 454 (“Section 454”), the
6 language of which is limited to “items of an account,” whereas Plaintiff has asserted several
7 causes of action premised on theories of recovery not tied to an “account.” Plaintiff further
8 objects to the Demand on the grounds that it seeks broad discovery through the mechanism of
9 Code of Civil Procedure Section 454, which is unlawful and inappropriate. Plaintiff further
10 objects to the Demand because it is “not proper” under the circumstances of this case, which
11 concerns “both breach of contract and negligence,” under the rule of *Distefano v. Hall*, 218 Cal.
12 App. 2d 657, 677-78 (1963). Plaintiff further objects to the Demand on the grounds that it is
13 premature and appears to be presented for purposes of imposing needless burden at the outset of
14 the litigation prior to the taking of any discovery. Plaintiff further objects to the Demand on the
15 grounds that it seeks information that is clearly within the appropriate scope of expert discovery
16 and analysis, at a stage of the lawsuit prior to the disclosure of expert witnesses. In presenting
17 this Bill of Particulars, Plaintiff does not concede that it states all sums lawfully owed to Plaintiff
18 for the entire course of Defendant’s conduct or rightfully due under all six of the causes of action
19 asserted in this lawsuit, which additionally support redress in kind and an award of damages in
20 amounts exceeding sums shown in any “account” maintained by Plaintiff or otherwise, including
21 but not limited to sums awarded for pre-judgment or post-judgment interest. Plaintiff reserves all
22 rights including the right to amend or supplement this Bill of Particulars in due course at an
23 appropriate juncture later in the proceedings should discovery or other circumstances support
24 such amendment or supplementation.

25 Subject to and without waiving the foregoing objections, Plaintiff responds as follows:

26 1. Sums approximating \$5,463,874.71 (costs reflected in \$3,642,450.80 in itemized
27 entries plus \$1,821,423.91 in interest to July 31, 2021) plus additional accrued interest as shown
28

1 in the file "Summary of Santa Clara Costs plus accrued interest to July 31, 2021," attached
2 hereto as Exhibit A.

3 2. Projected gross income and proceeds in an amount of at least \$57,164,072, or in
4 the alternative \$14,485,031, as reflected in internal analyses and projections shown in the file
5 "Republic Santa Clara Project – Lost Opportunity" attached hereto as Exhibit B.

6
7 Dated: March 2, 2022

COTCHETT, PITRE & MCCARTHY, LLP

8
9 By: 

JOSEPH W. COTCHETT
JAMES G. DALLAL
TAMARAH P. PREVOST

10
11
12 *Attorneys for Plaintiff Republic Metropolitan LLC*
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Exhibit A

Summary of Santa Clara Costs plus accrued interest to July 31, 2021

Maturity Date: 7/31/2021

Interest Rate: 20%

	Type	Date	Num	Name	Memo	Debit	Credit	Balance	# Days O/S	365 # Years	Compounded Interest
01000 - Award Submission											
RFP Submissions/Management											
Macy Office of Design											
	Bill	01/16/2019	664	Macy Office of Design	Santa Clara benefits presentation, brochure: des	1,385.16		1,385.16	927	2.539726	815.73
	Bill	05/21/2019	681	Macy Office of Design	Admin & Dev support - mailing to council membe	5,114.68		6,499.84	802	2.19726	2,520.17
	Bill	09/30/2019	Inv #686	Macy Office of Design	Admin & Dev support - June to Aug - presentatio	8,375.00		14,874.84	670	1.835616	3,328.92
	Bill	09/30/2019	inv #690	Macy Office of Design	Admin & Dev support - Sept - community outrea	5,052.50		19,927.34	670	1.835616	2,008.28
	Bill	11/04/2019	693	Macy Office of Design	Oct services - VTA/City cordination/Design/DDA	13,998.37		33,925.71	635	1.739726	5,225.07
	Bill	12/03/2019	702	Macy Office of Design	Nov services - meeting cordination city/VTA - De	8,892.50		42,818.21	606	1.660274	3,143.62
	Bill	01/07/2020	709	Macy Office of Design	Dec services - current reports/history of Santa Ci	3,117.46		45,935.67	571	1.564384	1,028.94
	Bill	02/12/2020	712	Macy Office of Design	Jan services - Program mgt Surplus Land Act fo	752.50		46,688.17	535	1.465753	230.53
	Bill	05/03/2020	727	Macy Office of Design	VTA Submittal/ongoing project management/folk	2,557.50		49,245.67	454	1.243836	651.02
	Bill	07/05/2020	729	Macy Office of Design	May/June services - community/VTA meeting co	16,538.07		65,783.74	391	1.071233	3,567.04
	Bill	08/18/2020	736	Macy Office of Design	July services - prepare Early consideration pack	17,595.00		83,378.74	347	0.950685	3,330.01
	Bill	09/28/2020	742	Macy Office of Design	Aug services - project management/city council I	10,670.10		94,048.84	306	0.838356	1,762.17
	Bill	11/09/2020	748	Macy Office of Design	Oct services - Books for VTA meeting - securing	2,579.76		96,628.60	264	0.723288	363.65
	Bill	11/10/2020	749	Macy Office of Design	Oct services - prep team/presentation - RFQ inte	6,685.00		103,313.60	263	0.720548	938.52
Total Macy Office of Design						103,313.60	0.00	103,313.60			
Total RFP Submissions/Management						103,313.60	0.00	103,313.60			
Total 01000 - Award Submission						103,313.60	0.00	103,313.60			
01001 - Land											
Appraisal Fees											
Kidder Mathews											
	General Journal	10/03/2016	1	Kidder Mathews	Paid via RUP - Appraisal of 500 Benton Street 2	3,000.00		3,000.00	1762	4.827397	4,233.70
	General Journal	10/03/2016	1	Kidder Mathews	Paid via RUP - Appraisal of NE El Camino Real/I	3,000.00		6,000.00	1762	4.827397	4,233.70
	General Journal	12/02/2016	2	Kidder Mathews	Paid via RUP -Appraisal of NE El Camino Real/F	3,000.00		9,000.00	1702	4.663014	4,020.12
	General Journal	12/02/2016	2	Kidder Mathews	Paid via RUP - Appraisal of 500 Benton Street -	3,058.32		12,058.32	1702	4.663014	4,098.27
Total Kidder Mathews						12,058.32	0.00	12,058.32			
Total Appraisal Fees						12,058.32	0.00	12,058.32			
Site Research											
B. Mendelsohn											
	General Journal	09/23/2014	69	Bob Mendelsohn	Paid via RUP - To record Oct 1 retainer to B. Me	833.34		833.34	2503	6.857534	2,076.11
	General Journal	10/28/2014	70	Bob Mendelsohn	Paid via RUP - Payment of Nov consultancy to E	833.34		1,666.68	2468	6.761644	2,025.68
	General Journal	11/04/2014	148	Bob Mendelsohn	Paid via RUP - Consulting fee to B. Mendelsohn	1,666.67		3,333.35	2461	6.742466	4,031.38
	General Journal	11/14/2014	72	Bob Mendelsohn	Paid via RUP - Transfer to Bob Mendelsohn - Di	833.33		4,166.68	2451	6.715068	2,001.48
	General Journal	01/02/2015	73	Bob Mendelsohn	Paid via RUP - Jan 2015 payment to B. Mendels	833.34		5,000.02	2402	6.580822	1,932.96
Total B. Mendelsohn						5,000.02	0.00	5,000.02			
James Haas											
	General Journal	06/13/2014	74	James Haas	Paid via RUP - May 10 - June 9 - Services re Tr	833.34		833.34	2605	7.136986	2,228.18
	General Journal	07/13/2014	75	James Haas	Paid via RUP - June 10 - July 9 - Services re Tr	833.34		1,666.68	2575	7.054795	2,182.65
	General Journal	08/13/2014	76	James Haas	Paid via RUP - July 10 - Aug 9 - Services re Tra	833.34		2,500.02	2544	6.969863	2,136.31
	General Journal	09/13/2014	77	James Haas	Paid via RUP - Sept 10 - Oct 9 - Services re Trai	833.34		3,333.36	2513	6.884932	2,090.68
	General Journal	09/15/2014	78	James Haas	Paid via RUP - Aug 10 - Sept 9 - Services re Tra	833.34		4,166.70	2511	6.879452	2,087.76
	General Journal	11/13/2014	79	James Haas	Paid via RUP - Oct 10 - Nov 9 - Services re Tran	833.34		5,000.04	2452	6.717808	2,002.92
Total James Haas						5,000.04	0.00	5,000.04			
Western Pacific Properties, Inc											
	General Journal	10/16/2014	80	Western Pacific Properties	Paid via RUP - October Consultancy - S. Kellent	833.34		833.34	2480	6.794521	2,042.87

Summary of Santa Clara Costs plus accrued interest to July 31, 2021

Type	Date	Num	Name	Memo	Debit	Credit	Balance	O/S	# Years	Interest
General Journal	11/01/2014	81	Western Pacific Properties	Paid via RUP - November Consultancy - S. Kelle	833.34		1,666.68	2464	6.750685	2,019.98
General Journal	12/01/2014	82	Western Pacific Properties	Paid via RUP - December Consultancy - S. Kelle	833.34		2,500.02	2434	6.668493	1,977.54
General Journal	01/01/2015	83	Western Pacific Properties	Paid via RUP - Jan Consultancy - S. Kellenberge	833.34		3,333.36	2403	6.583562	1,934.35
Total Western Pacific Properties, Inc					3,333.36	0.00	3,333.36			
Total Site Research					13,333.42	0.00	13,333.42			
Total 01001 - Land					25,391.74	0.00	25,391.74			
02000 - Construction										
Preconstruction Services										
General Journal	10/30/2017	7	Nibbi Brothers Associates,	Paid via RUP - Pre Construction Services - Preli	10,000.00		10,000.00	1370	3.753425	9,824.44
Bill	02/13/2018	17100044-001	Swinerton Management & C	Cost peer review of Nibbi construction numbers	7,260.00		17,260.00	1264	3.463014	6,390.31
Bill	07/26/2019	Application #1	CBG Building Company	June/July - Clark Preconstruction Services - Con	3,000.00		20,260.00	736	2.016438	1,332.97
Bill	08/28/2019	Application #2	CBG Building Company	Aug - Clark Preconstruction Services - Contract	1,500.00		21,760.00	703	1.926027	631.06
Bill	09/27/2019	Application #3	CBG Building Company	Sep - Clark Preconstruction Services - Contract	1,500.00		23,260.00	673	1.843836	599.37
Bill	10/25/2019	Application #4	CBG Building Company	Oct - Clark Preconstruction Services - Contract	1,500.00		24,760.00	645	1.767123	570.21
Bill	01/05/2020	Application #6	CBG Building Company	Dec - Clark Preconstruction Services - Contract	1,500.00		26,260.00	573	1.569863	497.08
Bill	02/26/2020	Application 6 - Feb	CBG Building Company	Feb - Clark Preconstruction Services - Contract	1,500.00		27,760.00	521	1.427397	445.87
Bill	02/27/2020	Feb - App #7	CBG Building Company	Feb - App #7 - Clark Preconstruction Services	1,500.00		29,260.00	520	1.424658	444.90
Bill	04/13/2020	App #8 - Mar	CBG Building Company	March - App #8 - Clark Preconstruction Service	1,500.00		30,760.00	474	1.29863	400.72
Bill	06/01/2020	App #9 Apr/May	CBG Building Company	Period to April 1 to May 31, 2020 - Clark Precon	3,000.00		33,760.00	425	1.164384	709.53
Bill	07/29/2020	App #10 - July	CBG Building Company	July 31, 2020 - App #10 - Clark Preconstruction	1,500.00		35,260.00	367	1.005479	301.80
Bill	08/31/2020	App #11 - August	CBG Building Company	August - Clark Preconstruction Services - Conti	1,500.00		36,760.00	334	0.915068	272.34
Bill	09/28/2020	App #12 - Sept	CBG Building Company	Sept - App #12 - Clark Preconstruction Service	1,500.00		38,260.00	306	0.838356	247.73
Bill	10/31/2020	App #13	CBG Building Company	Oct - App #12 - Clark Preconstruction Services	1,500.00		39,760.00	273	0.747945	219.15
Bill	11/30/2020	App #14 - Nov	CBG Building Company	Nov - App #14 - Clark Preconstruction Services	1,500.00		41,260.00	243	0.665753	193.58
Bill	12/22/2020	App #15	CBG Building Company	Nov - App #15 - Clark Preconstruction Services	1,500.00		42,760.00	221	0.605479	175.07
Bill	01/28/2021	App #16	CBG Building Company	Jan - App #15 - Clark Preconstruction Services	1,500.00		44,260.00	184	0.50411	144.40
Total Preconstruction Services					44,260.00	0.00	44,260.00			
Total 02000 - Construction					44,260.00	0.00	44,260.00			
03000 - Arch. & Engineering										
Architectural Design										
Humphreys & Partners Architects										
General Journal	02/17/2017	3	Humphreys & Partners - C	Paid via RUP - Site Plan Concept & Images - St	5,500.00		5,500.00	1625	4.452055	6,884.60
Bill	02/02/2018	65505	Humphreys & Partners - C	January services - Land planning - #1202 & 125	3,500.00		9,000.00	1275	3.493151	3,116.98
Bill	04/04/2018	66049	Humphreys & Partners - C	April services - Site Plan revisions & renderings	3,295.00		12,295.00	1214	3.326027	2,747.47
Bill	04/04/2018	66031	Humphreys & Partners - S	April Services - Hand Drawn Color Perspective	2,000.00		14,295.00	1214	3.326027	1,667.66
Bill	06/12/2018	66646	Humphreys & Partners - S	Travel + May services - Site Plan concept - Desi	3,530.09		17,825.09	1145	3.136986	2,724.17
Bill	07/08/2018	66944	Humphreys & Partners - S	June services - 2 perspective renderings (\$5k) p	5,497.39		23,322.48	1119	3.065753	4,116.67
Bill	08/08/2018	67335	Humphreys & Partners - S	July services - 2 renderings (4 in total)	5,000.00		28,322.48	1088	2.980822	3,609.84
Bill	08/31/2018	67461	Humphreys & Partners - S	Aug services - landplan	555.69		28,878.17	1065	2.917808	390.26
Bill	11/02/2018	68155	Humphreys & Partners - S	Oct services	12,740.00		41,618.17	1002	2.745205	8,275.43
Bill	01/07/2019	68648	Humphreys & Partners - S	Missing invoices	3,330.46		44,948.63	936	2.564384	1,985.18
Bill	02/12/2019	69077	Humphreys & Partners - S	Elevations/conceptual floor plans/computer rend	19,800.46		64,749.09	900	2.465753	11,239.18
Bill	03/07/2019	69188	Humphreys & Partners - S	Land Plan revision	1,757.50		66,506.59	877	2.40274	966.12
Bill	04/04/2019	69445	Humphreys & Partners - S	Land Plan revision	2,903.24		69,409.83	849	2.326027	1,533.47
Bill	05/08/2019	69746	Humphreys & Partners - S	Concept Site Plan	1,202.50		70,612.33	815	2.232877	604.20
Bill	05/08/2019	69746	Humphreys & Partners - S	Concept Site Plan - Landscape	2,750.00		73,362.33	815	2.232877	1,381.76
Bill	05/29/2019	69955	Humphreys & Partners - S	May services - Land Plan/renderings	1,948.55		75,310.88	794	2.175342	948.51
Bill	07/08/2019	70273	Humphreys & Partners - S	June services - Land Plan/renderings	1,481.15		76,792.03	754	2.065753	677.43
Bill	08/09/2019	70703	Humphreys & Partners - S	July services - Land Plan/renderings	3,203.30		79,995.33	722	1.978082	1,391.06
Bill	09/06/2019	70988	Humphreys & Partners - S	August services - Land Plan/renderings	5,054.72		85,050.05	694	1.90137	2,094.36
Bill	10/09/2019	71544	Humphreys & Partners - S	Sept services - Land Plan/renderings	23,885.28		108,935.33	661	1.810959	9,344.26

Summary of Santa Clara Costs plus accrued interest to July 31, 2021

Type	Date	Num	Name	Memo	Debit	Credit	Balance	O/S	# Years	Interest
Bill	10/23/2019	71563	Humphreys & Partners - S	Oct services - Land Plan/renderings	21,430.00		130,365.33	647	1.772603	8,175.95
Bill	11/22/2019	71938	Humphreys & Partners - S	Nov services - Public meetings/project co-ordina	4,061.66		134,426.99	617	1.690411	1,466.14
Bill	12/23/2019	72474	Humphreys & Partners - S	Nov services - Elevation plans/conceptual floor p	15,060.82		149,487.81	586	1.605479	5,121.56
Bill	01/28/2020	72819	Humphreys & Partners - S	Jan services - Project co-ordination	2,311.33		151,799.14	550	1.506849	730.79
Bill	03/25/2020	73336	Humphreys & Partners - S	Jan services - Project co-ordination plus reprodu	2,721.19		154,520.33	493	1.350685	759.84
Bill	04/21/2020	73588	Humphreys & Partners - S	April services - Project co-ordination plus expens	1,916.23		156,436.56	466	1.276712	502.23
Bill	05/21/2020	73967	Humphreys & Partners - S	May services - Project co-ordination plus expens	1,403.65		157,840.21	436	1.194521	341.54
Bill	06/23/2020	74380	Humphreys & Partners - S	June services - Project co-ordination plus exper	5,022.30		162,862.51	403	1.10411	1,119.95
Bill	06/30/2020	2038	Humphreys & Ptnrs Landsc	Landscape architectural plans for Planning App	5,850.00		168,712.51	396	1.084932	1,279.55
Bill	07/21/2020	74594	Humphreys & Partners - S	July services - application resubmittal + general	22,771.06		191,483.57	375	1.027397	4,691.05
Bill	09/25/2020	75247	Humphreys & Partners - S	Aug services - shadow study	2,000.00		193,483.57	309	0.846575	333.80
Bill	02/25/2021	76617	Humphreys & Partners - S	Reimbursable expenses re printing/shipping	454.48		193,938.05	156	0.427397	36.83
Total Humphreys & Partners Architects					193,938.05	0.00	193,938.05			
Robin Chiang & Company										
General Journal	06/23/2015	4	Robin Chiang & Company	Paid via RUP - Paid via RUP - Concept design r	10,000.00		10,000.00	2230	6.109589	20,462.45
General Journal	10/01/2015	5	Robin Chiang & Company	Paid via RUP - Concept design re Santa Clara/R	6,666.67		16,666.67	2130	5.835616	12,652.14
General Journal	01/08/2016	6	Robin Chiang & Company	Paid via RUP - Concept design re Santa Clara/R	9,666.67		26,333.34	2031	5.564384	16,994.04
Total Robin Chiang & Company					26,333.34	0.00	26,333.34			
Total Architectural Design					220,271.39	0.00	220,271.39			
Civil Engineering										
Alta Survey										
Bill	04/10/2018	18040215	BKF Engineers (Santa Clar	Services Feb 1 to April 1 - Alta Survey	6,808.00		6,808.00	1208	3.309589	5,639.35
Bill	05/15/2018	18050661	BKF Engineers (Santa Clar	Services April 2 - April 29 - Alta Survey	4,425.20		11,233.20	1173	3.213699	3,525.36
Bill	06/13/2018	18060614	BKF Engineers (Santa Clar	Services Apr 30 to May 27 - Alta Survey	3,566.80		14,800.00	1144	3.134247	2,749.35
Total Alta Survey					14,800.00	0.00	14,800.00			
Hydrology services										
Bill	06/08/2019	81802 5-19	Todd Groundwater	Hydrology services pertaining to relocation of Cit	3,328.45		3,328.45	784	2.147945	1,595.56
Bill	07/08/2019	81802 6-19	Todd Groundwater	Hydrology services pertaining to relocation of Cit	4,328.05		7,656.50	754	2.065753	1,979.51
Bill	08/08/2019	81802 7-19	Todd Groundwater	Hydrology services pertaining to relocation of Cit	12,380.95		20,037.45	723	1.980822	5,385.39
Bill	09/08/2019	81802 8-19	Todd Groundwater	Hydrology services pertaining to relocation of Cit	2,247.25		22,284.70	692	1.89589	927.94
Bill	10/08/2019	81802 9-19	Todd Groundwater	Hydrology services pertaining to relocation of Cit	2,436.05		24,720.75	662	1.813699	954.71
Bill	12/12/2019	81802 11-19	Todd Groundwater	Hydrology services pertaining to relocation of Cit	4,695.25		29,416.00	597	1.635616	1,631.33
Bill	12/27/2019	12253	Infrastructure Engineering	Nov 30 to Dec 27 - Design engineering services	22,777.15		52,193.15	582	1.594521	7,684.65
Bill	01/08/2020	81802 12-19	Todd Groundwater	Hydrology services pertaining to relocation of Cit	3,318.25		55,511.40	570	1.561644	1,093.00
Bill	01/31/2020	12311	Infrastructure Engineering	Nov 30 to Dec 27 - Design engineering services	39,859.94		95,371.34	547	1.49863	12,524.23
Bill	02/29/2020	12393	Infrastructure Engineering	Feb services - Design engineering services re w	13,503.28		108,874.62	518	1.419178	3,987.60
Bill	03/23/2020	12518	Infrastructure Engineering	Mar services - Design engineering services re w	4,485.99		113,360.61	495	1.356164	1,258.36
Bill	04/24/2020	12622	Infrastructure Engineering	Apr services - Design engineering services re w	28,099.42		141,460.03	463	1.268493	7,311.58
Bill	05/29/2020	12692	Infrastructure Engineering	May services - Design engineering services re w	14,859.38		156,319.41	428	1.172603	3,541.93
Bill	07/26/2020	12762	Infrastructure Engineering	June services - Design engineering services re v	1,781.58		158,100.99	370	1.013699	361.66
Bill	07/31/2020	12836	Infrastructure Engineering	July services - Design engineering services re w	2,210.00		160,310.99	365	1	442.00
Bill	08/28/2020	12938	Infrastructure Engineering	Aug services - Design engineering services re w	979.37		161,290.36	337	0.923288	179.55
Bill	10/30/2020	13100	Infrastructure Engineering	Sept services - Design engineering services re v	399.68		161,690.04	274	0.750685	58.62
Total Hydrology services					161,690.04	0.00	161,690.04			
Structural										
Bill	12/01/2019	10031900158	KPFF Inc.	general pre-con consulting working with the Geol	300.00		300.00	608	1.665753	106.46
Bill	08/01/2020	335386	KPFF Inc.	Structural engineering services thru July - pre-de	1,200.00		1,500.00	364	0.99726	239.28
Bill	09/01/2020	340137	KPFF Inc.	Structural engineering services thru Aug - pre-de	500.00		2,000.00	333	0.912329	90.49
Total Structural					2,000.00	0.00	2,000.00			
Traffic Studies										
Bill	12/24/2019	Inv #1	CHS Consulting Group - S	500 Benton - Santa Clara TDM & Parking Ratio /	18,879.00		18,879.00	585	1.60274	6,407.34

Summary of Santa Clara Costs plus accrued interest to July 31, 2021

Type	Date	Num	Name	Memo	Debit	Credit	Balance	O/S	# Years	Interest
Bill	01/10/2020	Invoice #3	CHS Consulting Group - Santa Clara	Dec services - 500 Benton - Santa Clara TDM &	816.00		19,695.00	568	1.556164	267.70
Bill	02/11/2020	Inv #3	CHS Consulting Group - Santa Clara	Jan services - 500 Benton - Santa Clara TDM &	4,379.00		24,074.00	536	1.468493	1,344.37
Bill	03/06/2020	#4	CHS Consulting Group - Santa Clara	Feb services - 500 Benton - Santa Clara TDM &	4,704.00		28,778.00	512	1.40274	1,370.88
Bill	06/11/2020	Inv #5	CHS Consulting Group - Santa Clara	March 1 to May 29, 2020 - revised TDM/Parking	3,241.00		32,019.00	415	1.136986	746.56
Bill	08/05/2020	#6	CHS Consulting Group - Santa Clara	June 1 to July 31, 2020 - revised TDM/Parking S	2,362.00		34,381.00	360	0.986301	465.33
Total Traffic Studies					34,381.00	0.00	34,381.00			
Utilities Studies										
Bill	04/16/2018	18040523	BKF Engineers - Santa Clara	Feb 26 to April 1 services - Utility due diligence -	1,200.00		1,200.00	1202	3.293151	987.44
Bill	05/14/2018	18050484	BKF Engineers - Santa Clara	April 2 - 29 services - prelim utility exhibit + filing	3,397.20		4,597.20	1174	3.216438	2,709.45
Bill	06/04/2018	18060137	BKF Engineers - Santa Clara	April 30 to May 27 services - Utility due diligence	85.84		4,683.04	1153	3.158904	66.85
Bill	07/18/2018	18070572	BKF Engineers - Santa Clara	May 28 - Jul 1 services - Utility due diligence re	2,212.97		6,896.01	1109	3.038356	1,637.88
Bill	09/07/2018	18090568	BKF Engineers - Santa Clara	Jul 30 - Aug 26 services - Utility due diligence re	300.00		7,196.01	1058	2.89863	208.91
Bill	10/04/2018	18100106	BKF Engineers - Santa Clara	Aug 27 - Sept 30 services - Utility due diligence	800.00		7,996.01	1031	2.824658	538.91
Bill	11/05/2018	18110251	BKF Engineers - Santa Clara	Oct 1 to Oct 28 services - Utility due diligence re	10,578.26		18,574.27	999	2.736986	6,845.11
Bill	02/13/2019	19020625	BKF Engineers - Santa Clara	Dec 31 to Jan 27 services - Schematic Design/E	11,000.00		29,574.27	899	2.463014	6,235.23
Bill	03/08/2019	19030391	BKF Engineers - Santa Clara	Jan 28 - Feb 24 services - Schematic Design/Er	3,182.50		32,756.77	876	2.4	1,747.01
Bill	04/15/2019	19040565	BKF Engineers - Santa Clara	Feb 24 services - March 31- Schematic Design	1,500.00		34,256.77	838	2.29589	779.73
Bill	05/10/2019	19050572	BKF Engineers - Santa Clara	Apr services - Schematic Design (Civil Engineeri	3,122.35		37,379.12	813	2.227397	1,564.16
Bill	06/12/2019	19060931	BKF Engineers - Santa Clara	May services - Consultants - Todd Groundwater	3,524.52		40,903.64	780	2.136986	1,679.14
Bill	07/05/2019	19070087	BKF Engineers - Santa Clara	June services - Consultants - Schematic Design	652.50		41,556.14	757	2.073973	299.86
Bill	10/14/2019	19100677	BKF Engineers - Santa Clara	Aug 26 - Sept 29 services - Consultants - Scher	1,100.00		42,656.14	656	1.79726	426.52
Bill	11/01/2019	19110068	BKF Engineers - Santa Clara	Sept 30 - Oct 27 services - Consultants - Scher	1,252.00		43,908.14	638	1.747945	469.90
Bill	12/03/2019	19120583	BKF Engineers - Santa Clara	Oct 28 - Nov 24 services - Schematic Design	158.28		44,066.42	606	1.660274	55.95
Bill	01/13/2020	20010629	BKF Engineers - Santa Clara	Nov 25 - Dec 29 services - Site Plan - Joint Tre	16,412.76		60,479.18	565	1.547945	5,351.80
Bill	02/11/2020	20020674	BKF Engineers - Santa Clara	Dec 30 - Jan 26 services - Site Plan - Joint Tren	5,378.75		65,857.93	536	1.468493	1,651.30
Bill	03/03/2020	20030286	BKF Engineers - Santa Clara	Jan 27 - Feb 23 services - Site Plan redesign -	2,873.02		68,730.95	515	1.410959	842.85
Bill	04/10/2020	20040574	BKF Engineers - Santa Clara	Feb 24 - Mar 29 services - Site Plan redesign -	93.26		68,824.21	477	1.306849	25.09
Bill	05/05/2020	20050321	BKF Engineers - Santa Clara	Mar 30 - April 26 services - Site Plan redesign -	810.25		69,634.46	452	1.238356	205.24
Bill	06/05/2020	20060408	BKF Engineers - Santa Clara	April 27 - May 24 services - Site Plan redesign -	2,199.35		71,833.81	421	1.153425	514.74
Bill	07/07/2020	20070476-10	BKF Engineers - Santa Clara	May 25 - June 28 services - Prelim Stormwater I	1,256.00		73,089.81	389	1.065753	269.38
Bill	09/04/2020	20090367	BKF Engineers - Santa Clara	July 27 - Aug 23 services - Prelim Stormwater IV	1,500.00		74,589.81	330	0.90411	268.80
Bill	10/07/2020	20100412	BKF Engineers - Santa Clara	Aug 24 - Sept 27 services - Additions to Civil Bi	24,444.50		99,034.31	297	0.813699	3,909.27
Bill	11/23/2020	20120027	BKF Engineers - Santa Clara	Oct 26 - Nov 22 services - Utility Due Diligence	4,952.25		103,986.56	250	0.684932	658.70
Bill	01/04/2021	21010052	BKF Engineers - Santa Clara	Nov 23 - dec 27 services - Utility Due Diligence	6,721.50		110,708.06	208	0.569863	735.92
Bill	02/01/2021	21020209	BKF Engineers - Santa Clara	Dec 28 - 01/24 services - Utility Due Diligence -	2,917.25		113,625.31	180	0.493151	274.45
Total Utilities Studies					113,625.31	0.00	113,625.31			
Total Civil Engineering					326,496.35	0.00	326,496.35			
Environmental Study										
AllWest Environmental, Inc.										
Bill	03/26/2018	18035.20I	AllWest Environmental - Santa Clara	Phase I - 500 Benton Street - Database search, i	4,075.00		4,075.00	1223	3.350685	3,431.53
Bill	04/01/2018	18035.23I	AllWest Environmental - Santa Clara	April services - soil sampling at 500 Benton St, (I	4,468.75		8,543.75	1217	3.334247	3,738.47
Bill	04/16/2018	18035.23.1	AllWest Environmental - Santa Clara	Subsurface Investigation; 500 Benton St, Santa	2,500.00		11,043.75	1202	3.293151	2,057.18
Bill	04/18/2018	18035.23.VTA.1	AllWest Environmental - Santa Clara	May 1- 15services - soil sampling at 500 Benton	4,783.05		15,826.80	1200	3.287671	3,927.12
Bill	04/18/2018	18035.23I.2	AllWest Environmental - Santa Clara	May 1- 15 services - Phase II soil sampling at 50	10,523.80		26,350.60	1200	3.287671	8,640.57
Bill	05/31/2018	18035.23.VTA.2	AllWest Environmental - Santa Clara	May 16 - 31 services - Phase II soil sampling at I	2,565.00		28,915.60	1157	3.169863	2,006.74
Bill	06/09/2018	204362	GPRS	part of the scope of work performed for the Phas	750.00		29,665.60	1148	3.145205	580.77
Bill	06/27/2018	18035.23I.3	AllWest Environmental - Santa Clara	May 16 - June 12services - Phase II soil samplin	2,203.23		31,868.83	1130	3.09589	1,671.10
Bill	06/27/2018	18035.23.VTA.3	AllWest Environmental - Santa Clara	June 1 - 19 services - Phase II soil sampling at I	6,530.32		38,399.15	1130	3.09589	4,953.09
Bill	06/30/2018	18035.23I.4	AllWest Environmental - Santa Clara	June 13 - June 29 services - Phase II soil sampli	1,918.75		40,317.90	1127	3.087671	1,450.27
Bill	06/30/2018	18035.23.VTA.5	AllWest Environmental - Santa Clara	June 20 - June 29 services - Phase II soil sampli	3,495.00		43,812.90	1127	3.087671	2,641.67
Bill	07/31/2018	18035.23I.5	AllWest Environmental - Santa Clara	July 1 - 29 services - Phase II soil sampling at 5	664.96		44,477.86	1096	3.00274	484.66

Summary of Santa Clara Costs plus accrued interest to July 31, 2021

Type	Date	Num	Name	Memo	Debit	Credit	Balance	O/S	# Years	Interest
Bill	07/31/2019	19109.361	AllWest Environmental - S&	July 1 - 29 services - Phase II soils and GW tabl	886.25		45,364.11	731	2.00274	390.59
Bill	10/31/2019	19109.3612	AllWest Environmental - S&	Aug 1 - Oct 31 services - consulting services re	1,123.75		46,487.86	639	1.750685	422.54
Total AllWest Environmental, Inc.					46,487.86	0.00	46,487.86			
David J. Powers & Associates, I										
Bill	03/25/2019	SCU Mixed Use	David J. Powers & Associa	Deposit - CEQA - environmental review - Cost E	29,463.00		29,463.00	859	2.353425	15,787.57
Bill	05/30/2019	23746	David J. Powers & Associa	Thru 4/30/19 - Preparation of Administrative Draf	3,087.50		32,550.50	793	2.172603	1,500.64
Bill	06/26/2019	23832	David J. Powers & Associa	Thru 5/31/19 - Preparation of Administrative Draf	5,770.00		38,320.50	766	2.09863	2,689.56
Bill	07/24/2019	24031	David J. Powers & Associa	Thru 6/30/19 - Preparation of Administrative Draf	16,598.03		54,918.53	738	2.021918	7,398.84
Bill	08/22/2019	24151	David J. Powers & Associa	Thru 7/31/19 - Preparation of Administrative Draf	5,929.15		60,847.68	709	1.942466	2,519.73
Bill	09/25/2019	24182	David J. Powers & Associa	Thru 8/31/19 - Preparation of Administrative Draf	1,170.00		62,017.68	675	1.849315	469.14
Bill	10/29/2019	24402	David J. Powers & Associa	Thru 9/30/19 - Preparation of Administrative Draf	28,300.00		90,317.68	641	1.756164	10,679.99
Bill	11/20/2019	24531	David J. Powers & Associa	Thru 10/31/19 - Preparation of Administrative Draf	12,542.57		102,860.25	619	1.69589	4,544.56
Bill	12/24/2019	24632	David J. Powers & Associa	Thru 11/30/19 - Preparation of Administrative Draf	8,458.75		111,319.00	585	1.60274	2,870.81
Bill	01/30/2020	24778	David J. Powers & Associa	Thru 12/31/19 - Preparation of Administrative Draf	13,133.31		124,452.31	548	1.50137	4,135.19
Bill	02/25/2020	24889	David J. Powers & Associa	Thru 1/1/20 - Preparation of Administrative Draft	10,722.50		135,174.81	522	1.430137	3,194.19
Bill	02/25/2020	24889	David J. Powers & Associa	Prepayment applied		10,054.06	125,120.75	522	1.430137	(2,995.07)
Bill	03/23/2020	24948	David J. Powers & Associa	Thru 2/29 - Preparation of Administrative Draft In	475.00		125,595.75	495	1.356164	133.24
Bill	03/23/2020	24948	David J. Powers & Associa	Prepayment applied		475.00	125,120.75	495	1.356164	(1,083.24)
Bill	08/19/2020	25598	David J. Powers & Associa	Thru 7/31/20 - Preparation of Administrative Draf	353.70		125,474.45	346	0.947945	66.73
Bill	08/19/2020	25598	David J. Powers & Associa	Prepayment applied		353.70	125,120.75	346	0.947945	(774.13)
Bill	09/29/2020	25723	David J. Powers & Associa	Thru 8/31/20 - Project Management	1,888.12		127,008.87	305	0.835616	310.73
Bill	09/29/2020	25723	David J. Powers & Associa	Prepayment applied		1,888.12	125,120.75	305	0.835616	(4,086.97)
Bill	10/28/2020	25839	David J. Powers & Associa	Thru 9/30/20 - Preparation of Administrative Draf	828.75		125,949.50	276	0.756164	122.51
Bill	01/26/2021	26238	David J. Powers & Associa	Thru 1/26/21 - ongoing CEQA	475.00		126,424.50	186	0.509589	46.25
Bill	02/21/2021	26310	David J. Powers & Associa	Thru 2/24/21 - ongoing CEQA	3,336.50		129,761.00	160	0.438356	277.60
Total David J. Powers & Associates, I					142,531.88	12,770.88	129,761.00			
Total Environmental Study					189,019.74	12,770.88	176,248.86			
Geotechnical										
Miller Pacific Engineering										
Bill	06/05/2018	18773	Miller Pacific Engineering C	Mar 12 - June 3 - Phase I - Prelim Geotechnical I	6,500.00		6,500.00	1152	3.156164	5,056.40
Bill	10/25/2019	20970	Miller Pacific Engineering C	Jul 15 to Oct 13 - Geotechnical services - consul	3,025.00		9,525.00	645	1.767123	1,149.92
Bill	04/10/2020	21533	Miller Pacific - Santa Clara	Geotechnical investigation - subsurface exploratic	14,266.23		23,791.23	477	1.306849	3,838.30
Bill	07/24/2020	21792	Miller Pacific - Santa Clara	Geotechnical investigation - subsurface exploratic	13,836.00		37,627.23	372	1.019178	2,825.36
Total Miller Pacific Engineering					37,627.23	0.00	37,627.23			
Other										
Bill	04/10/2020	20200040101	Albion Environmental, Inc	Archaeological & Native American oversight for c	2,579.04		2,579.04	477	1.306849	693.88
Total Other					2,579.04	0.00	2,579.04			
Total Geotechnical					40,206.27	0.00	40,206.27			
Mechanical Engineering										
Integral Group										
Bill	04/09/2020	15880	Integral Group	Services thru March 31 - MEP services	7,197.00		7,197.00	478	1.309589	1,940.90
Bill	05/07/2020	16052	Integral Group	Services thru April 30 - MEP services	1,297.50		8,494.50	450	1.232877	327.03
Bill	06/08/2020	16201	Integral Group	Services thru May 31 - MEP services	5,755.00		14,249.50	418	1.145205	1,336.27
Bill	07/10/2020	1295	Integral Group	Services thru June 30 - MEP services	1,295.00		15,544.50	386	1.057534	275.39
Bill	08/10/2020	16469	Integral Group	Services thru July 31 - MEP services re entitlement	600.00		16,144.50	355	0.972603	116.41
Total Integral Group					16,144.50	0.00	16,144.50			
Total Mechanical Engineering					16,144.50	0.00	16,144.50			
Total 03000 - Arch. & Engineering					792,138.25	12,770.88	779,367.37			
03500 - Permits & Fees										
City Staff Reimbursement										
General Journal	01/18/2018	241		To record ENA deposit required by City of Santa	25,000.00		25,000.00	1290	3.534247	22,619.63

Summary of Santa Clara Costs plus accrued interest to July 31, 2021

Type	Date	Num	Name	Memo	Debit	Credit	Balance	O/S	# Years	Interest
General Journal	07/31/2018	260		To record cashier's check re funding of ENA dep	25,000.00		50,000.00	1096	3.00274	18,221.58
Total City Staff Reimbursement					50,000.00	0.00	50,000.00			
Permits & Fees										
Bill	02/21/2019	Filing Fees	City of Santa Clara	Santa Clara Planning Application Filing Fees	109,164.81		109,164.81	891	2.441096	61,196.78
Total Permits & Fees					109,164.81	0.00	109,164.81			
Total 03500 - Permits & Fees					159,164.81	0.00	159,164.81			
04000 - Legal Costs										
Acquisition										
Cox Castle Nicholson										
Bill	01/26/2018	462730	Cox Castle - Santa Clara -	Dec correspondence - conference with BM to dis	168.75		168.75	1282	3.512329	151.40
Bill	02/22/2018	464069	Cox Castle - Santa Clara -	Dec/Jan correspondence - review project docs/ci	27,986.25		28,155.00	1255	3.438356	24,397.67
Bill	02/22/2018	464070	Cox Castle - Santa Clara 0	Jan services - review title docs - prepare title me	1,968.75		30,123.75	1255	3.438356	1,716.30
Bill	03/20/2018	465393	Cox Castle - Santa Clara -	Feb correspondence - review city dev impact fee	9,189.59		39,313.34	1229	3.367123	7,789.29
Bill	03/20/2018	465394	Cox Castle - Santa Clara 0	Feb services - review title docs - continue title m	1,618.75		40,932.09	1229	3.367123	1,372.09
Bill	04/11/2018	466260	Cox Castle - Santa Clara 0	Mar services - review title docs - draft title object	5,425.00		46,357.09	1207	3.306849	4,488.80
Bill	04/11/2018	466259	Cox Castle - Santa Clara -	Mar correspondence - review student housing le	6,351.25		52,708.34	1207	3.306849	5,255.21
Bill	05/10/2018	467960	Cox Castle - Santa Clara 0	Apr services - finalize title objection letters - dele	1,453.74		54,162.08	1178	3.227397	1,164.66
Bill	05/10/2018	467959	Cox Castle - Santa Clara -	Apr correspondence - review student housing le	386.25		54,548.33	1178	3.227397	309.44
Bill	06/19/2018	469326	Cox Castle - Santa Clara 0	May services - review survey & title issues	1,837.50		56,385.83	1138	3.117808	1,406.64
Bill	07/20/2018	471160	Cox Castle - Santa Clara 0	June services - review survey & title issues - dra	5,968.58		62,354.41	1107	3.032877	4,407.13
Bill	08/15/2018	472478	Cox Castle - Santa Clara 0	July services - review survey & title issues - corn	3,751.90		66,106.31	1081	2.961644	2,686.20
Bill	09/18/2018	474229	Cox Castle - Santa Clara 0	Review water & sewer line revisions to survey, re	412.50		66,518.81	1047	2.868493	283.41
Bill	09/18/2018	474228	Cox Castle - Santa Clara -	Aug correspondence - review application form ar	643.75		67,162.56	1047	2.868493	442.30
Bill	10/18/2018	476201	Cox Castle - Santa Clara 0	Review survey & Title - work on DDA worksheet	7,162.50		74,325.06	1017	2.786301	4,741.35
Bill	11/20/2018	477965	Cox Castle - Santa Clara -	Oct correspondence - discuss DDA items, call to	435.00		74,760.06	984	2.69589	276.14
Bill	11/20/2018	476200	Cox Castle - Santa Clara -	Sept correspondence - missing invoice	1,966.25		76,726.31	984	2.69589	1,248.17
Bill	11/20/2018	477966	Cox Castle - Santa Clara 0	Oct services - review survey & Title - work on DC	15,762.50		92,488.81	984	2.69589	10,006.00
Bill	12/11/2018	479008	Cox Castle - Santa Clara -	Nov correspondence - review new zoning district	257.50		92,746.31	963	2.638356	159.07
Bill	01/10/2019	480435	Cox Castle - Santa Clara -	Dec correspondence - review revised developme	950.00		93,696.31	933	2.556164	563.99
Bill	01/10/2019	480436	Cox Castle - Santa Clara 0	Nov/Dec services - work on DDA Term sheet	12,253.75		105,950.06	933	2.556164	7,274.77
Bill	02/15/2019	482008	Cox Castle - Santa Clara -	Jan correspondence - review parcel diagram/res	1,008.75		106,958.81	897	2.457534	570.22
Bill	02/19/2019	482108	Cox Castle - Santa Clara 0	Jan services - work on DDA Term sheet	11,506.25		118,465.06	893	2.446575	6,468.24
Bill	03/21/2019	483711	Cox Castle - Santa Clara -	Feb correspondence - review & analyze required	2,337.50		120,802.56	863	2.364384	1,259.72
Bill	03/21/2019	483712	Cox Castle - Santa Clara 0	Jan services - work on DDA Term sheet/Lease T	8,463.75		129,266.31	863	2.364384	4,561.25
Bill	04/19/2019	485397	Cox Castle - Santa Clara -	Mar correspondence - review planning applicatio	1,010.00		130,276.31	834	2.284932	521.95
Bill	04/19/2019	485537	Cox Castle - Santa Clara 0	Mar services - title review/title objections - work c	9,427.47		139,703.78	834	2.284932	4,871.97
Bill	05/23/2019	487323	Cox Castle - Santa Clara -	Apr correspondence - work on environmntal CE	6,161.25		145,865.03	800	2.191781	3,026.66
Bill	05/23/2019	487324	Cox Castle - Santa Clara 0	Apr services - title review/title objections - work c	5,265.00		151,130.03	800	2.191781	2,586.39
Bill	06/16/2019	488382	Cox Castle - Santa Clara -	May correspondence - research density bonus/p	3,256.25		154,386.28	776	2.126027	1,541.74
Bill	06/16/2019	488383	Cox Castle - Santa Clara 0	May services - lot tie issues/well relocation	1,755.00		156,141.28	776	2.126027	830.94
Bill	07/23/2019	490357	Cox Castle - Santa Clara -	June correspondence - various - CEDA,GPA & l	846.41		156,987.69	739	2.024658	377.91
Bill	07/23/2019	490358	Cox Castle - Santa Clara 0	June services - review new changes to project re	438.75		157,426.44	739	2.024658	195.90
Bill	08/15/2019	491492	Cox Castle - Santa Clara -	July correspondence - various - bonus density/er	9,953.75		167,380.19	716	1.961644	4,279.76
Bill	08/15/2019	491493	Cox Castle - Santa Clara 0	July services - review changes to entitlement dis	1,205.00		168,585.19	716	1.961644	518.11
Bill	09/19/2019	493197	Cox Castle - Santa Clara -	Aug correspondence - various - review City plan	20,296.22		188,881.41	681	1.865753	8,223.67
Bill	09/30/2019	493854	Cox Castle - Santa Clara 0	Aug services - work on DDA Term sheet/second	23,550.66		212,432.07	670	1.835616	9,360.98
Bill	10/15/2019	494492	Cox Castle - Santa Clara -	Sept correspondence - various - telephone conf	5,243.36		217,675.43	655	1.794521	2,029.45
Bill	10/16/2019	494711	Cox Castle - Santa Clara 0	Sep services - work on DDA Term sheet/affordab	23,514.58		241,190.01	654	1.791781	9,085.05
Bill	11/19/2019	496151	Cox Castle - Santa Clara -	Oct correspondence - call with TMO re affordabl	1,117.50		242,307.51	620	1.69863	405.67
Bill	11/19/2019	496152	Cox Castle - Santa Clara 0	Oct services - work on DDA Term sheet/affordab	5,350.84		247,658.35	620	1.69863	1,942.42
Bill	01/22/2020	499928	Cox Castle - Santa Clara 0	Dec services - work on Surplus Land Act/afforda	18,633.75		266,292.10	556	1.523288	5,965.17

Summary of Santa Clara Costs plus accrued interest to July 31, 2021

Type	Date	Num	Name	Memo	Debit	Credit	Balance	O/S	# Years	Interest
Bill	01/22/2020	499927	Cox Castle - Santa Clara -	Dec correspondence - draft TDM measures/term	7,756.25		274,048.35	556	1.523288	2,482.99
Bill	02/13/2020	500744	Cox Castle (redwood - land	Jan services - surplus land act analysis	760.00		274,808.35	534	1.463014	232.33
Bill	02/21/2020	501170	Cox Castle - Santa Clara -	Jan correspondence - research Surplus Land Ac	13,081.25		287,889.60	526	1.441096	3,930.81
Bill	02/29/2020	501929	Cox Castle - Santa Clara 0	Jan services - work on Surplus Land Act/affordal	22,005.03		309,894.63	518	1.419178	6,498.21
Bill	03/19/2020	502729	Cox Castle - Santa Clara -	Feb correspondence - research Surplus Land A	11,636.22		321,530.85	499	1.367123	3,293.87
Bill	03/19/2020	502730	Cox Castle - Santa Clara 0	Feb services - work on Surplus Land Act/affordal	8,321.59		329,852.44	499	1.367123	2,355.60
Bill	04/09/2020	503937	Cox Castle - Santa Clara 0	Mar services - work on Surplus Land Act/affordal	9,840.00		339,692.44	478	1.309589	2,653.67
Bill	04/09/2020	503936	Cox Castle - Santa Clara -	Mar correspondence - research Surplus Land A	11,065.00		350,757.44	478	1.309589	2,984.03
Bill	05/08/2020	505543	Cox Castle - Santa Clara -	April correspondence - re Surplus Land Act/City	9,998.75		360,756.19	449	1.230137	2,513.91
Bill	05/08/2020	505544	Cox Castle - Santa Clara 0	Apr services - work on Surplus Land Act/affordat	6,150.00		366,906.19	449	1.230137	1,546.25
Bill	06/08/2020	507071	Cox Castle - Santa Clara 0	May services - work on Surplus Land Act/VTA cc	5,535.00		372,441.19	418	1.145205	1,285.19
Bill	06/08/2020	507070	Cox Castle - Santa Clara -	May correspondence - re school fees - student t	8,895.00		381,336.19	418	1.145205	2,065.36
Bill	07/31/2020	509899	Cox Castle - Santa Clara 0	June services - work on Surplus Land Act/VTA c	13,838.74		395,174.93	365	1	2,767.75
Bill	07/31/2020	509898	Cox Castle - Santa Clara -	June correspondence - DDA Term sheet/SLA/G	14,805.00		409,979.93	365	1	2,961.00
Bill	08/14/2020	510495	Cox Castle - Santa Clara -	July correspondence - DDA Term sheet/SLA/GF	8,643.75		418,623.68	351	0.961644	1,656.47
Bill	08/14/2020	510496	Cox Castle - Santa Clara 0	July services - work on Surplus Land Act/VTA cc	49,191.31		467,814.99	351	0.961644	9,426.90
Bill	09/28/2020	512748	Cox Castle - Santa Clara 0	August services - work on Surplus Land Act/VTA	15,388.75		483,203.74	306	0.838356	2,541.46
Bill	09/28/2020	512747	Cox Castle - Santa Clara -	August correspondence - VTA LSA Indemnity/r	2,722.50		485,926.24	306	0.838356	449.62
Bill	10/09/2020	513400	Cox Castle - Santa Clara -	Sept correspondence - review parking + density	9,422.50		495,348.74	295	0.808219	1,495.97
Bill	10/27/2020	514188	Cox Castle - Santa Clara 0	Sept services - work on Surplus Land Act/VTA c	1,230.00		496,578.74	277	0.758904	182.52
Bill	11/13/2020	515235	Cox Castle - Santa Clara -	Oct correspondence - legislative Counsel opinio	3,515.00		500,093.74	260	0.712329	487.47
Bill	11/13/2020	515236	Cox Castle - Santa Clara 0	Oct services - correspondence re ENA contuatio	307.50		500,401.24	260	0.712329	42.65
Bill	12/10/2020	516893	Cox Castle - Santa Clara -	Nov correspondence - legislative Counsel opinio	798.75		501,199.99	233	0.638356	98.59
Bill	01/26/2021	5188851	Cox Castle - Santa Clara -	Dec correspondence - legislative Counsel opinio	2,042.50		503,242.49	186	0.509589	198.86
Bill	02/11/2021	519710	Cox Castle - Santa Clara -	Jan correspondence - calls re potential amendrr	453.75		503,696.24	170	0.465753	40.21
Bill	03/09/2021	521010	Cox Castle - Santa Clara -	Feb correspondence - re economic opportunity le	4,727.50		508,423.74	144	0.394521	352.58
Bill	04/16/2021	522915	Cox Castle - Santa Clara -	Mar correspondence - re economic opportunity le	7,633.75		516,057.49	106	0.290411	415.09
Bill	05/10/2021	524354	Cox Castle - Santa Clara -	Apr correspondence - re Surplus Land Act	5,451.25		521,508.74	82	0.224658	227.92
Bill	06/15/2021	526322	Cox Castle - Santa Clara -	May correspondence - re Surplus Land Act/ENA	8,925.00		530,433.74	46	0.126027	207.45
Bill	07/15/2021	527918	Cox Castle - Santa Clara -	June correspondence - re Surplus Land Act/ENA	10,957.50		541,391.24	16	0.043836	87.93
Total Cox Castle Nicholson					541,391.24	0.00	541,391.24			
Glazer Hongiman Ellick										
General Journal	10/19/2016	8	Glazer Ellick (Santa Clara l	Paid via RUP - Santa Clara - Aug/Sept correspo	2,205.00		2,205.00	1746	4.783562	3,069.45
General Journal	12/08/2016	9	Glazer Ellick (Santa Clara l	Paid via RUP - Santa Clara - Oct/Nov correspon	1,890.00		4,095.00	1696	4.646575	2,519.44
General Journal	02/08/2017	10	Glazer Ellick (Santa Clara l	Paid via RUP - Santa Clara - Dec correspondenc	787.50		4,882.50	1634	4.476712	993.74
General Journal	05/09/2017	11	Glazer Ellick (Santa Clara l	Paid via RUP - March services - correspondence	4,796.00		9,678.50	1544	4.230137	5,575.14
General Journal	06/27/2017	12	Glazer Ellick (Santa Clara l	Paid via RUP - May services - correspondence r	3,433.50		13,112.00	1495	4.09589	3,811.77
General Journal	08/08/2017	13	Glazer Ellick (Santa Clara l	Paid via RUP - June/July services - corresponde	11,663.00		24,775.00	1453	3.980822	12,436.98
Bill	10/05/2017	12406	Glazer Ellick (Santa Clara l	Santa Clara - Aug correspondence/ENA issues	2,779.50		27,554.50	1395	3.821918	2,799.94
Bill	11/21/2017	12473	Glazer Ellick (Santa Clara l	Santa Clara - Oct correspondence with DeRiggi/l	763.00		28,317.50	1348	3.693151	733.07
Bill	02/16/2018	12662	Glazer Ellick (Santa Clara l	Santa Clara - Dec/Jan various re financing/entitk	4,397.50		32,715.00	1261	3.454795	3,858.33
Bill	04/16/2018	12721	Glazer Ellick (Santa Clara l	Santa Clara - Feb/Mar various re ENA & DDA	2,260.00		34,975.00	1202	3.293151	1,859.69
Bill	06/08/2018	12772	Glazer Ellick (Santa Clara l	Santa Clara - Apr correspondence with RLK/DeF	339.00		35,314.00	1149	3.147945	262.81
Bill	07/26/2018	12830	Glazer Ellick (Santa Clara l	Santa Clara - June correspondence with RLK/BN	452.00		35,766.00	1101	3.016438	331.40
Bill	08/03/2018	12879	Glazer Ellick (Santa Clara l	Santa Clara - July correspondence with RLK - R	565.00		36,331.00	1093	2.994521	410.35
Bill	11/06/2018	12977	Glazer Ellick (Santa Clara l	Santa Clara - Aug/Sep correspondence with RLK	2,930.50		39,261.50	998	2.734247	1,893.89
Bill	12/18/2018	13093	Glazer Ellick (Santa Clara l	Santa Clara - Nov correspondence re DDA + Gr	4,181.00		43,442.50	956	2.619178	2,559.16
Bill	01/16/2019	13136	Glazer Ellick (Santa Clara l	Dec correspondence - review revised LOI re DD	1,243.00		44,685.50	927	2.539726	732.01
Bill	03/14/2019	13181	Glazer Ellick (Santa Clara l	Jan/Feb correspondence - review revised LOI re	9,945.00		54,630.50	870	2.383562	5,413.12
Bill	05/08/2019	13294	Glazer Ellick (Santa Clara l	Mar correspondence - work on DDA LOI - title ob	8,775.00		63,405.50	815	2.232877	4,409.06
Bill	06/13/2019	13329	Glazer Ellick (Santa Clara l	May correspondence - City/VTA issues - status	2,164.50		65,570.00	779	2.134247	1,029.61

Summary of Santa Clara Costs plus accrued interest to July 31, 2021

Type	Date	Num	Name	Memo	Debit	Credit	Balance	O/S	# Years	Interest
Bill	07/17/2019	13386	Glazer Ellick (Santa Clara)	June correspondence - pre-construction service	2,047.50		67,617.50	745	2.041096	923.07
Bill	09/17/2019	13500	Glazer Ellick (Santa Clara)	July/Aug correspondence - ENA issues/TMO str	10,254.50		77,872.00	683	1.871233	4,169.34
Bill	11/14/2019	13563	Glazer Ellick (Santa Clara)	Sept/Oct services - TMO LOI/TMO structuring/vi	16,497.00		94,369.00	625	1.712329	6,044.84
Bill	02/12/2020	13718	Glazer Ellick (Santa Clara)	Dec/Jan services - SLA/DDA issues/various cor	15,794.00		110,163.00	535	1.465753	4,838.52
Bill	04/15/2020	13768	Glazer Ellick (Santa Clara)	Feb/Mar services - SLA/LOI issues/various corr	24,428.00		134,591.00	472	1.293151	6,494.97
Bill	05/20/2020	13826	Glazer Ellick (Santa Clara)	Apr services - VTA/CEQA/LOI issues/various cc	3,286.00		137,877.00	437	1.19726	801.60
Bill	06/29/2020	13861	Glazer Ellick (Santa Clara)	May services - VTA/TMO issues/various corres	6,572.00		144,449.00	397	1.087671	1,441.47
Bill	07/27/2020	13905	Glazer Ellick (Santa Clara)	June services - DDA Term Shee - SLA/TMO iss	12,710.00		157,159.00	369	1.010959	2,572.50
Bill	09/14/2020	13990	Glazer Ellick (Santa Clara)	July/Aug services - correspondence re LOI/TMC	29,202.00		186,361.00	320	0.876712	5,061.50
Bill	10/15/2020	14036	Glazer Ellick (Santa Clara)	Sept services - correspondence re LOI/TMO cor	2,666.00		189,027.00	289	0.791781	414.03
Bill	12/07/2020	14062	Glazer Ellick (Santa Clara)	Oct/Nov services - correspondence re VTA ENA	2,914.00		191,941.00	236	0.646575	364.58
Bill	02/05/2021	14214	Glazer Ellick (Santa Clara)	Jan services - correspondence re SLA issues	682.00		192,623.00	176	0.482192	62.67
Total Glazer Hongiman Ellick					192,623.00	0.00	192,623.00			
Mezzetti Law Firm, Inc.										
General Journal	03/02/2017	16	Mezzetti Law Firm, Inc.	Paid via RUP - Legal retainer to assist on ENA w	2,500.00		2,500.00	1612	4.416438	3,092.93
General Journal	04/01/2017	17	Mezzetti Law Firm, Inc.	Paid via RUP - Feb/Mar times on ENA with City	3,160.00		5,660.00	1582	4.334247	3,804.31
General Journal	04/01/2017	18	Mezzetti Law Firm, Inc.	Paid via RUP - Less Legal retainer to assist on E		2,000.00	3,660.00	1582	4.334247	(6,407.79)
General Journal	05/01/2017	19	Mezzetti Law Firm, Inc.	Paid via RUP - April time - work on MOU	1,802.25		5,462.25	1552	4.252055	2,110.64
General Journal	06/01/2017	20	Mezzetti Law Firm, Inc.	Paid via RUP - May time - work on MOU	2,105.00		7,567.25	1521	4.167123	2,394.98
Bill	07/01/2017	6200	Mezzetti Law Firm, Inc.	May/June - work on ENA - various meetings	1,591.25		9,158.50	1491	4.084932	1,759.86
General Journal	09/04/2017	21	Mezzetti Law Firm, Inc.	Paid via RUP - July/Aug time - work on MOU/Im	4,323.00		13,481.50	1426	3.906849	4,490.22
Bill	10/01/2017	6277	Mezzetti Law Firm, Inc.	Sept - various meetings, review minutes/agenda	731.50		14,213.00	1399	3.832877	739.82
Bill	11/01/2017	6295	Mezzetti Law Firm, Inc.	Oct - various meetings, telephone conversations	1,507.00		15,720.00	1368	3.747945	1,477.56
Bill	12/01/2017	6321	Mezzetti Law Firm, Inc.	Nov - various meetings, telephone conversations	1,720.00		17,440.00	1338	3.665753	1,635.73
Bill	01/01/2018	6334	Mezzetti Law Firm, Inc.	Dec - various meetings, telephone conversations	4,123.00		21,563.00	1307	3.580822	3,797.40
Bill	02/01/2018	6353	Mezzetti Law Firm, Inc.	Jan - various meetings - VTA, City of Santa Cla	4,230.00		25,793.00	1276	3.49589	3,771.09
Bill	03/01/2018	6368	Mezzetti Law Firm, Inc.	Feb - various meetings - VTA, City of Santa Cla	1,100.00		26,893.00	1248	3.419178	951.76
Bill	04/01/2018	6386	Mezzetti Law Firm, Inc.	Mar - various meetings Bob/Kevin/Adam/Scott	1,826.00		28,719.00	1217	3.334247	1,527.59
Bill	05/01/2018	6404	Mezzetti Law Firm, Inc.	Apr - various meetings re site & entitlement issu	3,932.50		32,651.50	1187	3.252055	3,182.43
Bill	07/01/2018	6444	Mezzetti Law Firm, Inc.	May- various TCs with BM	275.00		32,926.50	1126	3.084932	207.62
Bill	08/01/2018	6474	Mezzetti Law Firm, Inc.	July- various TCs with BM/Lisa/Ruth	775.50		33,702.00	1095	3	564.56
Bill	09/01/2018	6499	Mezzetti Law Firm, Inc.	Aug - various TCs with BM/Lisa/Ruth re VTA con	2,718.00		36,420.00	1064	2.915068	1,906.54
Bill	10/01/2018	6505	Mezzetti Law Firm, Inc.	Sept - various TCs with BM/Scott/Mayor re strate	2,536.50		38,956.50	1034	2.832877	1,715.03
Bill	11/01/2018	6524	Mezzetti Law Firm, Inc.	Oct - various TCs with BM/Scott/Mayor re ENA -	4,388.00		43,344.50	1003	2.747945	2,853.90
Bill	12/01/2018	6544	Mezzetti Law Firm, Inc.	Nov - prep for city hall meeting - continuing ENA	2,895.50		46,240.00	973	2.665753	1,812.12
Bill	01/02/2019	6561	Mezzetti Law Firm, Inc.	Dec- finalize ENA extension - meet with City/VT/	5,687.10		51,927.10	941	2.578082	3,412.59
Bill	02/01/2019	6569	Mezzetti Law Firm, Inc.	Jan - finalize ENA extension/Amendment #1- Cit	3,977.50		55,904.60	911	2.49589	2,292.07
Bill	03/01/2019	6594	Mezzetti Law Firm, Inc.	Feb - various re ENA extension/VTA - emails wit	3,107.50		59,012.10	883	2.419178	1,722.70
Bill	04/01/2019	6612	Mezzetti Law Firm, Inc.	Mar - various re strategy/project development ca	7,792.00		66,804.10	852	2.334247	4,133.52
Bill	05/01/2019	6629	Mezzetti Law Firm, Inc.	Apr - various emails re union strategy/well locati	1,986.50		68,790.60	822	2.252055	1,008.58
Bill	06/01/2019	6678	Mezzetti Law Firm, Inc.	Apr - various emails/hearings/TCs re VTA - City	8,787.50		77,578.10	791	2.167123	4,258.00
Bill	07/01/2019	6711	Mezzetti Law Firm, Inc.	June srvcies - work on resolution - meetings with	5,862.25		83,440.35	761	2.084932	2,711.12
Bill	08/01/2019	6745	Mezzetti Law Firm, Inc.	July services - work on ENA extension/meetings	7,639.80		91,080.15	730	2	3,361.51
Bill	09/01/2019	6765	Mezzetti Law Firm, Inc.	Aug services - work on ENA & strategy, research	3,267.25		94,347.40	699	1.915068	1,365.30
Bill	10/01/2019	6772	Mezzetti Law Firm, Inc.	Sep services - work on ENA /affordable housing	3,426.50		97,773.90	669	1.832877	1,359.58
Bill	11/01/2019	6787	Mezzetti Law Firm, Inc.	Ocvr services - work on ENA /affordable housing	1,232.00		99,005.90	638	1.747945	462.40
Bill	12/01/2019	6805	Mezzetti Law Firm, Inc.	Nov services - work on ENA - prep & attend City	7,942.00		106,947.90	608	1.665753	2,818.35
Bill	01/01/2020	6838	Mezzetti Law Firm, Inc.	Dec services - work on ENA - research Surplus	7,679.75		114,627.65	577	1.580822	2,565.40
Bill	02/01/2020	6858	Mezzetti Law Firm, Inc.	Jan services - work on ENA - research Surplus I	6,157.00		120,784.65	546	1.49589	1,930.52
Bill	03/01/2020	6881	Mezzetti Law Firm, Inc.	Feb services - work on ENA /term sheets - resea	4,622.00		125,406.65	517	1.416438	1,361.91
Bill	04/01/2020	6902	Mezzetti Law Firm, Inc.	Mar services - work on ENA /term sheets - resea	13,926.00		139,332.65	486	1.331507	3,826.39

Summary of Santa Clara Costs plus accrued interest to July 31, 2021

Type	Date	Num	Name	Memo	Debit	Credit	Balance	O/S	# Years	Interest
Bill	05/01/2020	6908	Mezzetti Law Firm, Inc.	Apr services - work on Surplus Land Requiremer	7,957.00		147,289.65	456	1.249315	2,035.44
Bill	06/02/2020	6928	Mezzetti Law Firm, Inc.	May services - work on Term sheet/CEQA,SLA -	7,145.50		154,435.15	424	1.161644	1,685.56
Bill	07/01/2020	6941	Mezzetti Law Firm, Inc.	June services - work on Term sheet/CEQA,SLA -	20,150.00		174,585.15	395	1.082192	4,395.07
Bill	08/01/2020	6954	Mezzetti Law Firm, Inc.	July services - work on Term sheet/CEQA,SLA/C	14,831.75		189,416.90	364	0.99726	2,957.46
Bill	09/01/2020	6965	Mezzetti Law Firm, Inc.	August services - work on Term sheet - attend V	8,923.50		198,340.40	333	0.912329	1,614.90
Bill	10/01/2020	6984	Mezzetti Law Firm, Inc.	Sept services - follow up with City, GPA- researc	5,245.50		203,585.90	303	0.830137	857.15
Bill	11/01/2020	6994	Mezzetti Law Firm, Inc.	Oct services - follow up with City, GPA- research	9,042.50		212,628.40	272	0.745205	1,315.95
Bill	12/01/2020	7004	Mezzetti Law Firm, Inc.	Nov services - follow up re status/strategy	500.50		213,128.90	242	0.663014	64.31
Bill	12/31/2020	7016	Mezzetti Law Firm, Inc.	Dec services - follow up re status/strategy/counc	2,902.75		216,031.65	212	0.580822	324.26
Bill	02/01/2021	7029	Mezzetti Law Firm, Inc.	Jan services - follow up re status/strategy/with Br	3,816.50		219,848.15	180	0.493151	359.05
Bill	03/01/2021	7042	Mezzetti Law Firm, Inc.	Feb services - various calls re status/EOA amen	1,161.50		221,009.65	152	0.416438	91.62
Bill	03/31/2021	7042-A	Mezzetti Law Firm, Inc.	Feb services - various calls re status/EOA amen	1,100.00		222,109.65	122	0.334247	69.12
Bill	04/01/2021	7068	Mezzetti Law Firm, Inc.	Mar services - prep/calls re City amendment to E	3,089.00		225,198.65	121	0.331507	192.46
Bill	05/01/2021	7085	Mezzetti Law Firm, Inc.	April services - prep/calls re Surplus Land Act	7,220.75		232,419.40	91	0.249315	335.80
Bill	06/01/2021	7104	Mezzetti Law Firm, Inc.	May services - prep/calls re Surplus Land Act	4,137.00		236,556.40	60	0.164384	125.87
Bill	07/01/2021	7123	Mezzetti Law Firm, Inc.	June services - prep/calls - public support	16,575.50		253,131.90	30	0.082192	250.26
Total Mezzetti Law Firm, Inc.					255,131.90	2,000.00	253,131.90			
Other Legal										
Bill	02/04/2020	2239.01	Matteoni, O'Laughlin & Hec	Jan services - work on resolving the Surplus Lar	2,910.00		2,910.00	543	1.487671	906.71
Bill	02/21/2020	636206	Berliner Cohen LLP	Jan services re Suplus Land Act Research	13,798.60		16,708.60	526	1.441096	4,146.37
Bill	03/25/2020	638499	Berliner Cohen LLP	Feb services re Suplus Land Act Research	2,215.90		18,924.50	493	1.350685	618.75
Bill	04/22/2020	640511	Berliner Cohen LLP	March services re Suplus Land Act Research	1,305.00		20,229.50	465	1.273973	341.21
Bill	05/19/2020	641922	Berliner Cohen LLP	April services re Suplus Land Act Research	1,215.00		21,444.50	438	1.2	297.15
Bill	06/02/2020	File 2239.01	Matteoni, O'Laughlin & Hec	Balance c/f - work on resolving the Surplus Lanc	100.00		21,544.50	424	1.161644	23.59
Bill	07/10/2020	645014	Berliner Cohen LLP	June services re Suplus Land Act Research	2,070.00		23,614.50	386	1.057534	440.19
Bill	08/17/2020	646835	Berliner Cohen LLP	July services re Suplus Land Act Research	945.00		24,559.50	348	0.953425	179.41
Bill	09/08/2020	648394	Berliner Cohen LLP	Aug services re CEQA + possible EIR required d	90.00		24,649.50	326	0.893151	15.92
Bill	10/19/2020	651207	Berliner Cohen LLP	Sep services re follow up re CEQA + EIR	225.00		24,874.50	285	0.780822	34.42
Bill	11/11/2020	652416	Berliner Cohen LLP	Sep services re follow up re CEQA + EIR	1,890.00		26,764.50	262	0.717808	264.26
Bill	01/19/2021	656779	Berliner Cohen LLP	Dec services - strategy to get ENA extended	900.00		27,664.50	193	0.528767	91.09
Bill	02/21/2021	658290	Berliner Cohen LLP	Jan services - correspondence re ENA	141.00		27,805.50	160	0.438356	11.73
Bill	03/17/2021	660999	Berliner Cohen LLP	Feb services - correspondence with City Attorne	705.00		28,510.50	136	0.372603	49.56
Bill	04/22/2021	662917	Berliner Cohen LLP	Mar services - correspondence re Surplus Land	4,136.00		32,646.50	100	0.273973	211.84
Bill	05/20/2021	665047	Berliner Cohen LLP	April services - correspondence re Surplus Lanc	4,042.00		36,688.50	72	0.19726	148.02
Bill	06/24/2021	668019	Berliner Cohen LLP	MAyservices - correspondence re ENA/Econom	1,410.00		38,098.50	37	0.10137	26.30
Bill	07/14/2021	669136	Berliner Cohen LLP	June services - correspondence re SLA/revolvir	423.00		38,521.50	17	0.046575	3.61
Total Other Legal					38,521.50	0.00	38,521.50			
Total Acquisition					1,027,667.64	2,000.00	1,025,667.64			
Total 04000 - Legal Costs					1,027,667.64	2,000.00	1,025,667.64			
05000 - Marketing & Relations										
Community & Govt Relations										
Cunneen Company										
Bill	01/15/2019	Jan 15 - Feb 15	Cunneen Company	Jan 15 - Feb 15 retainer (\$2k month - \$150k afte	2,000.00		2,000.00	928	2.542466	1,179.40
Bill	02/15/2019	Feb 15 - Mar 15	Cunneen Company	Feb 15 - Mar 15 retainer (\$2k month - \$150k afte	2,000.00		4,000.00	897	2.457534	1,130.55
Bill	03/27/2019	Mar 15 - Apr 15	Cunneen Company	Mar 15 - Apr 15 retainer (\$2k month - \$150k afte	2,000.00		6,000.00	857	2.347945	1,068.62
Bill	04/25/2019	Apr 15 - May 15	Cunneen Company	Apr 15 - May 15 retainer (\$2k month - \$150k aft	2,000.00		8,000.00	828	2.268493	1,024.49
Bill	07/19/2019	May 15 - June 15	Cunneen Company	May 15 - June 15 retainer (\$2k month - \$150k ai	2,000.00		10,000.00	743	2.035616	898.76
Bill	07/19/2019	June 15 - July 15	Cunneen Company	June 15 - July 15 retainer (\$2k month - \$150k af	2,000.00		12,000.00	743	2.035616	898.76
Bill	08/15/2019	July 15 - Aug 15	Cunneen Company	July 15 - Aug 15 retainer (\$2k month - \$150k aft	2,000.00		14,000.00	716	1.961644	859.93
Bill	09/27/2019	Sep 15 - Oct 15	Cunneen Company	Sep 15 - Oct 15 retainer (\$2k month - \$150k afte	2,000.00		16,000.00	673	1.843836	799.16
Bill	11/22/2019	Oct 15 - Nov 15	Cunneen Company	Oct 15 - Nov 15 retainer (\$2k month - \$150k aft	2,000.00		18,000.00	617	1.690411	721.94

Summary of Santa Clara Costs plus accrued interest to July 31, 2021

Type	Date	Num	Name	Memo	Debit	Credit	Balance	O/S	# Years	Interest
Bill	02/03/2020	Nov 15 - Dec 15	Cunneen Company	Nov 15 - Dec 15 retainer (\$2k month - \$150k afte	2,000.00		20,000.00	544	1.490411	624.48
Bill	02/03/2020	Dec 15 - Jan 15	Cunneen Company	Dec 15 - Jan 15 retainer (\$2k month - \$150k afte	2,000.00		22,000.00	544	1.490411	624.48
Bill	02/03/2020	Jan 15 - Feb 15	Cunneen Company	Jan 15 - Feb 15 retainer (\$2k month - \$150k afte	2,000.00		24,000.00	544	1.490411	624.48
Bill	02/29/2020	Feb 15 - Mar 15	Cunneen Company	Feb 15 - Mar 15 retainer (\$2k month - \$150k afte	2,000.00		26,000.00	518	1.419178	590.61
Bill	05/24/2020	Mar 15 - Apr 15	Cunneen Company	Mar 15 - Apr 15 retainer (\$2k month - \$150k afte	2,000.00		28,000.00	433	1.186301	482.92
Bill	05/24/2020	Apr 15 - May 15	Cunneen Company	Apr 15 - May 15 retainer (\$2k month - \$150k afte	2,000.00		30,000.00	433	1.186301	482.92
Bill	07/28/2020	May 15 - June 15	Cunneen Company	May 15 - June 15 retainer (\$2k month - \$150k af	2,000.00		32,000.00	368	1.008219	403.60
Bill	07/28/2020	June 15 - July 15	Cunneen Company	June 15 - July 15 retainer (\$2k month - \$150k aft	2,000.00		34,000.00	368	1.008219	403.60
Bill	07/28/2020	July 15 - Aug 15	Cunneen Company	July 15 - Aug retainer (\$2k month - \$150k after a	2,000.00		36,000.00	368	1.008219	403.60
Bill	10/01/2020	Aug 15 - Sept 15	Cunneen Company	Aug 15 - Sept 15 retainer (\$2k month - \$150k aft	2,000.00		38,000.00	303	0.830137	326.81
Bill	10/01/2020	Sept 15 - Oct 15	Cunneen Company	Sept 15 - Oct 15 retainer (\$2k month - \$150k afte	2,000.00		40,000.00	303	0.830137	326.81
Bill	12/04/2020		Cunneen Company	Oct 15 - Nov 15 retainer (\$2k month - \$150k afte	2,000.00		42,000.00	239	0.654795	253.60
Bill	12/04/2020	Nov 15 - Dec 15	Cunneen Company	Nov 15 - Dec 15 retainer (\$2k month - \$150k afte	2,000.00		44,000.00	239	0.654795	253.60
Bill	12/04/2020	Dec 15 - Jan 15 2021	Cunneen Company	Dec 15 - Jan 15 2021 retainer (\$2k month - \$150	2,000.00		46,000.00	239	0.654795	253.60
Bill	04/01/2021	Jan 15 - Feb 15 2021	Cunneen Company	Jan 15 - Feb 15 2021 retainer (\$2k month - \$150	2,000.00		48,000.00	121	0.331507	124.61
Bill	04/01/2021	Feb 15 - Mar 15 2021	Cunneen Company	Feb 15 - Mar 15 2021 retainer (\$2k month - \$150	2,000.00		50,000.00	121	0.331507	124.61
Bill	04/01/2021	Mar 15 - Apr 15 2021	Cunneen Company	Mar 15 - Apr 15 2021 retainer (\$2k month - \$150	2,000.00		52,000.00	121	0.331507	124.61
Bill	07/27/2021	Apr 15 - Mayr 15 2021	Cunneen Company	Mar 15 - Apr 15 2021 retainer (\$2k month - \$150	2,000.00		54,000.00	4	0.010959	4.00
Bill	04/03/2021	May 15 - Jun 15 2021	Cunneen Company	Mar 15 - Apr 15 2021 retainer (\$2k month - \$150	2,000.00		56,000.00	119	0.326027	122.49
Bill	04/04/2021	Jun 15 -Jul 15 2021	Cunneen Company	Mar 15 - Apr 15 2021 retainer (\$2k month - \$150	2,000.00		58,000.00	118	0.323288	121.43
Total Cunneen Company					58,000.00	0.00	58,000.00			
Judge Quentin L. Kopp (Ret.)										
Bill	12/04/2017	Nov - Chestnut	Judge Quentin L. Kopp (Re	Meeting with Supervisor Warren Slocum with RH	500.00		500.00	1335	3.657534	474.04
Bill	11/01/2020	000001 - Sept - Oct	Judge Quentin L. Kopp (Re	Sept - Oct - assitance re Surplus Land Developm	2,250.00		2,750.00	272	0.745205	327.44
Total Judge Quentin L. Kopp (Ret.)					2,750.00	0.00	2,750.00			
Kevin Moore										
General Journal	10/01/2016	24	Kevin Moore	Paid via RUP - Community & Govt relations - Oc	2,500.00		2,500.00	1764	4.832877	3,534.11
General Journal	11/29/2016	25	Kevin Moore	Paid via RUP - Community & Govt relations - No	2,500.00		5,000.00	1705	4.671233	3,358.87
General Journal	12/01/2016	26	Kevin Moore	Paid via RUP - Community & Govt relations - De	2,500.00		7,500.00	1703	4.665753	3,353.02
General Journal	01/01/2017	27	Kevin Moore	Paid via RUP - Community & Govt relations - Jar	2,500.00		10,000.00	1672	4.580822	3,263.09
General Journal	02/01/2017	28	Kevin Moore	Paid via RUP - Community & Govt relations - Jar	2,500.00		12,500.00	1641	4.49589	3,174.53
General Journal	03/01/2017	29	Kevin Moore	Paid via RUP - Community & Govt relations - Ma	2,500.00		15,000.00	1613	4.419178	3,095.72
General Journal	04/20/2017	30	Kevin Moore	Paid via RUP - Community & Govt relations - Ap	2,500.00		17,500.00	1563	4.282192	2,957.70
General Journal	05/01/2017	31	Kevin Moore	Paid via RUP - Community & Govt relations - Ma	2,500.00		20,000.00	1552	4.252055	2,927.79
General Journal	06/01/2017	32	Kevin Moore	Paid via RUP - Community & Govt relations - Jur	2,500.00		22,500.00	1521	4.167123	2,844.39
General Journal	07/01/2017	33	Kevin Moore	Paid via RUP - Community & Govt relations - Jul	2,500.00		25,000.00	1491	4.084932	2,764.90
General Journal	08/06/2017	34	Kevin Moore	Paid via RUP - Community & Govt relations - Au	2,500.00		27,500.00	1455	3.986301	2,671.07
General Journal	09/06/2017	35	Kevin Moore	Paid via RUP - Community & Govt relations - Se	2,500.00		30,000.00	1424	3.90137	2,591.61
General Journal	10/05/2017	36	Kevin Moore	Paid via RUP - Community & Govt relations - Oc	2,500.00		32,500.00	1395	3.821918	2,518.39
General Journal	11/01/2017	37	Kevin Moore	Paid via RUP - Community & Govt relations - No	2,500.00		35,000.00	1368	3.747945	2,451.16
General Journal	12/01/2017	38	Kevin Moore	Paid via RUP - Community & Govt relations - De	2,500.00		37,500.00	1338	3.665753	2,377.52
General Journal	01/01/2018	39	Kevin Moore	Paid via RUP - Community & Govt relations - Jar	2,500.00		40,000.00	1307	3.580822	2,302.57
Bill	02/01/2018	Feb 2018	Kevin Moore	Feb consulting - Community & Govt relations	2,500.00		42,500.00	1276	3.49589	2,228.78
Bill	03/01/2018	Mar 2018	Kevin Moore	Feb consulting - Community & Govt relations	2,500.00		45,000.00	1248	3.419178	2,163.10
Bill	04/03/2018	Inv #20	Kevin Moore	April consulting - Community & Govt relations	2,500.00		47,500.00	1215	3.328767	2,086.86
Bill	05/01/2018	21	Kevin Moore	May consulting - Community & Govt relations	2,500.00		50,000.00	1187	3.252055	2,023.16
Bill	06/01/2018	Inv #22	Kevin Moore	June consulting - Community & Govt relations	2,500.00		52,500.00	1156	3.167123	1,953.66
Bill	07/02/2018	Inv #23	Kevin Moore	July consulting - Community & Govt relations	2,500.00		55,000.00	1125	3.082192	1,885.22
Bill	08/01/2018	#24 - August	Kevin Moore	Aug consulting - Community & Govt relations	2,500.00		57,500.00	1095	3	1,820.00
Bill	09/01/2018	Inv #25	Kevin Moore	Sept consulting - Community & Govt relations	2,500.00		60,000.00	1064	2.915068	1,753.62

Summary of Santa Clara Costs plus accrued interest to July 31, 2021

Type	Date	Num	Name	Memo	Debit	Credit	Balance	O/S	# Years	Interest
Bill	09/01/2018	Inv #25	Kevin Moore	Sept consulting - Community & Govt relations - c	119.65		60,119.65	1064	2.915068	83.93
Bill	10/01/2018	#26	Kevin Moore	Oct consulting - Community & Govt relations	2,500.00		62,619.65	1034	2.832877	1,690.35
Bill	11/01/2018	Inv #27	Kevin Moore	Nov consulting - Community & Govt relations	2,500.00		65,119.65	1003	2.747945	1,625.97
Bill	12/01/2018	28	Kevin Moore	Dec consulting - Community & Govt relations	2,500.00		67,619.65	973	2.665753	1,564.60
Bill	01/02/2019	29	Kevin Moore	Jan consulting - Community & Govt relations	2,500.00		70,119.65	941	2.578082	1,500.15
Bill	02/01/2019	030	Kevin Moore	Jan consulting - Community & Govt relations	2,500.00		72,619.65	911	2.49589	1,440.65
Bill	03/01/2019	31	Kevin Moore	March consulting - Community & Govt relations	2,500.00		75,119.65	883	2.419178	1,385.92
Bill	04/01/2019	32	Kevin Moore	April consulting - Community & Govt relations	2,500.00		77,619.65	852	2.334247	1,326.21
Bill	05/01/2019	33	Kevin Moore	May consulting - Community & Govt relations	2,500.00		80,119.65	822	2.252055	1,269.30
Bill	06/04/2019	Inv#34	Kevin Moore	June consulting - Community & Govt relations	2,500.00		82,619.65	788	2.158904	1,205.82
Bill	07/01/2019	35	Kevin Moore	July consulting - Community & Govt relations	2,500.00		85,119.65	761	2.084932	1,156.18
Bill	08/01/2019	#36	Kevin Moore	Aug consulting - Community & Govt relations	2,500.00		87,619.65	730	2	1,100.00
Bill	09/01/2019	37	Kevin Moore	Sep consulting - Community & Govt relations	2,500.00		90,119.65	699	1.915068	1,044.68
Bill	10/01/2019	38	Kevin Moore	Oct consulting - Community & Govt relations	2,500.00		92,619.65	669	1.832877	991.96
Bill	10/31/2019	40	Kevin Moore	Dec consulting - Community & Govt relations	2,500.00		95,119.65	639	1.750685	940.02
Bill	11/01/2019	39	Kevin Moore	Nov consulting - Community & Govt relations	2,500.00		97,619.65	638	1.747945	938.31
Bill	01/01/2020	41	Kevin Moore	Nov consulting - Community & Govt relations	2,500.00		100,119.65	577	1.580822	835.12
Bill	02/03/2020	42	Kevin Moore	Feb consulting - Community & Govt relations	2,500.00		102,619.65	544	1.490411	780.59
Bill	03/01/2020	43	Kevin Moore	Mar consulting - Community & Govt relations	2,500.00		105,119.65	517	1.416438	736.65
Bill	04/01/2020	44	Kevin Moore	Apr consulting - Community & Govt relations	2,500.00		107,619.65	486	1.331507	686.91
Bill	05/01/2020	45	Kevin Moore	May consulting - Community & Govt relations	2,500.00		110,119.65	456	1.249315	639.51
Bill	06/01/2020	46	Kevin Moore	June consulting - Community & Govt relations	2,500.00		112,619.65	425	1.164384	591.27
Bill	07/03/2020	July 2020	Kevin Moore	July consulting - Community & Govt relations	2,500.00		115,119.65	393	1.076712	542.25
Bill	08/03/2020	48	Kevin Moore	Aug consulting - Community & Govt relations	2,500.00		117,619.65	362	0.991781	495.51
Bill	09/01/2020	49	Kevin Moore	Sept consulting - Community & Govt relations	2,500.00		120,119.65	333	0.912329	452.43
Bill	10/01/2020	50	Kevin Moore	Oct consulting - Community & Govt relations	2,500.00		122,619.65	303	0.830137	408.51
Bill	11/01/2020	51	Kevin Moore	Nov consulting - Community & Govt relations	2,500.00		125,119.65	272	0.745205	363.82
Bill	12/01/2020	52	Kevin Moore	Dec consulting - Community & Govt relations	2,500.00		127,619.65	242	0.663014	321.23
Bill	01/04/2021	53	Kevin Moore	Jan consulting - Community & Govt relations	2,500.00		130,119.65	208	0.569863	273.72
Bill	02/01/2021	54	Kevin Moore	Feb consulting - Community & Govt relations	2,500.00		132,619.65	180	0.493151	235.20
Bill	03/02/2021	#55	Kevin Moore	March consulting - Community & Govt relations	2,500.00		135,119.65	151	0.413699	195.86
Bill	04/01/2021	#56	Kevin Moore	April consulting - Community & Govt relations	2,500.00		137,619.65	121	0.331507	155.76
Bill	05/01/2021	May 2021/#57	Kevin Moore	May consulting - Community & Govt relations	2,500.00		140,119.65	91	0.249315	116.26
Bill	06/01/2021	#58	Kevin Moore	June consulting - Community & Govt relations	2,500.00		142,619.65	60	0.164384	76.06
Bill	07/01/2021	59	Kevin Moore	July consulting - Community & Govt relations	2,500.00		145,119.65	30	0.082192	37.75
Total Kevin Moore					145,119.65	0.00	145,119.65			
Mineta & Associates LLC										
General Journal	02/28/2017	40	Mineta & Associates LLC	Paid via RUP - Jul 2016 - Feb 2017 Consultancy	40,000.00		40,000.00	1614	4.421918	49,576.27
General Journal	09/14/2017	41	Mineta & Associates LLC	Paid via RUP - Mar - August 2017 Consultancy	20,000.00		60,000.00	1416	3.879452	20,570.45
General Journal	10/01/2017	42	Mineta & Associates LLC	Paid via RUP - To correct Dec 2015 to June 201	35,000.00		95,000.00	1399	3.832877	35,397.95
Bill	01/28/2019	000065	Mineta & Associates LLC	Nov - Jan 2019 Consulting	15,000.00		110,000.00	915	2.506849	8,691.18
Bill	07/21/2020	June/July	Mineta & Associates LLC	Consulting re San Calra - June/July	4,000.00		114,000.00	375	1.027397	824.04
Bill	08/10/2020	August	Mineta & Associates LLC	Consulting re San Clara - August	2,000.00		116,000.00	355	0.972603	388.04
Bill	09/04/2020	September	Mineta & Associates LLC	Consulting re San Clara - September	2,000.00		118,000.00	330	0.90411	358.41
Check	09/21/2020	1879	Mineta & Associates LLC	Advance on Santa Clara Bonus	25,000.00		143,000.00	313	0.857534	4,230.80
Bill	11/06/2020	Oct/Nov	Mineta & Associates LLC	Consulting re San Clara - September	2,000.00		145,000.00	267	0.731507	285.34
Total Mineta & Associates LLC					145,000.00	0.00	145,000.00			
Community & Govt Relations - Other										
Bill	01/29/2021	2301	McGovern & Associates Cc	January consulting	2,500.00		2,500.00	183	0.50137	239.30
Bill	02/05/2021	2307	McGovern & Associates Cc	February consulting	2,500.00		5,000.00	176	0.482192	229.74
Bill	03/05/2021	2315	McGovern & Associates Cc	March consulting	2,500.00		7,500.00	148	0.405479	191.82

Summary of Santa Clara Costs plus accrued interest to July 31, 2021

Type	Date	Num	Name	Memo	Debit	Credit	Balance	O/S	# Years	Interest
Bill	04/08/2021	2322	McGovern & Associates C	April consulting	2,500.00		10,000.00	114	0.312329	146.49
Bill	05/04/2021	2333	McGovern & Associates C	May consulting	2,500.00		12,500.00	88	0.241096	112.34
Bill	06/04/2021	2341	McGovern & Associates C	June consulting	2,500.00		15,000.00	57	0.156164	72.20
Bill	07/06/2021	2350	McGovern & Associates C	July consulting	2,500.00		17,500.00	25	0.068493	31.42
Total Community & Govt Relations - Other					17,500.00	0.00	17,500.00			
Total Community & Govt Relations					368,369.65	0.00	368,369.65			
Market Research										
Jay W. Pauly										
General Journal	07/14/2016	22	Jay W. Pauly	Paid via RUP - Santa Clara Apartment Market Ar	5,000.00		5,000.00	1843	5.049315	7,553.97
General Journal	07/28/2016	23	Jay W. Pauly	Paid via RUP - Santa Clara Apartment Market Ar	5,238.00		10,238.00	1829	5.010959	7,821.89
Total Jay W. Pauly					10,238.00	0.00	10,238.00			
Total Market Research					10,238.00	0.00	10,238.00			
Total 05000 - Marketing & Relations					378,607.65	0.00	378,607.65			
06000 - Misc. Consultants										
Financial Analysis										
Putnam Atlantic Properties LLC										
General Journal	11/22/2016	45	Putnam Atlantic Properties	Paid via RUP - Financial Analysis - Santa Clara :	5,000.00		5,000.00	1712	4.690411	6,758.79
General Journal	02/24/2017	46	Putnam Atlantic Properties	Paid via RUP - Financial Analysis - February - S:	7,026.50		12,026.50	1618	4.432877	8,740.16
General Journal	06/01/2017	47	Putnam Atlantic Properties	Paid via RUP - Financial Analysis - May - Santa	10,000.00		22,026.50	1521	4.167123	11,377.55
General Journal	07/04/2017	48	Putnam Atlantic Properties	Paid via RUP - Financial Analysis - June - Sant	10,000.00		32,026.50	1488	4.076712	11,028.06
General Journal	08/02/2017	49	Putnam Atlantic Properties	Paid via RUP - Financial Analysis - July - Santa	10,000.00		42,026.50	1459	3.99726	10,725.64
General Journal	09/04/2017	50	Putnam Atlantic Properties	Paid via RUP - Financial Analysis - Aug - Santa	10,000.00		52,026.50	1426	3.906849	10,386.81
General Journal	10/04/2017	51	Putnam Atlantic Properties	Paid via RUP - Financial Analysis - Santa Clara :	10,000.00		62,026.50	1396	3.824658	10,083.58
Total Putnam Atlantic Properties LLC					62,026.50	0.00	62,026.50			
Total Financial Analysis					62,026.50	0.00	62,026.50			
06000 - Misc. Consultants - Other										
Bill	04/28/2020	042820	Michaels Student Living	Pre-development Consulting re student operatio	20,000.00		20,000.00	459	1.257534	5,153.77
Bill	10/15/2020	2020-062	Hallisey and Johnson	Spet 21 - Oct 12 - Surplus Land Act/Economic O	15,886.50		35,886.50	289	0.791781	2,467.15
Total 06000 - Misc. Consultants - Other					35,886.50	0.00	35,886.50			
Total 06000 - Misc. Consultants					97,913.00	0.00	97,913.00			
07000 - Misc Expenses										
Misc. Develop Exp										
General Journal	01/18/2018	241		To record ENA deposit required by City of Santa	10.00		10.00	1290	3.534247	9.05
Bill	02/14/2018	5685080	Old Republic Title Compan	City of Santa Clara Title report	550.00		560.00	1263	3.460274	483.60
Bill	05/01/2018	21	Kevin Moore	Printing of 50 proposed student housing packets	200.00		760.00	1187	3.252055	161.85
Check	10/29/2018	1120	Mission City Community Fl	Contribution	5,000.00		5,760.00	1006	2.756164	3,264.31
Bill	10/30/2018	Santa Clara Outreach	Frank M. Rapoport	Santa Clara Outreach costs	590.00		6,350.00	1005	2.753425	384.70
Bill	01/22/2019	Contribution	Committee for West Valley	Contribution - Yes on W - Committee for West Vi	1,500.00		7,850.00	921	2.523288	876.23
Bill	03/28/2019	16263	Silicon Valley Leadership C	2009 Membership fees	5,000.00		12,850.00	856	2.345205	2,667.72
Bill	03/28/2019	16263	Silicon Valley Leadership C	Sponsorship - GameChangers 2020 - Apr 26, 20	10,000.00		22,850.00	856	2.345205	5,335.44
Bill	09/11/2019	Sponsorship	Santa Clara Parade of Cha	Sponsorship - Santa Clara Parade of Champions	2,500.00		25,350.00	689	1.887671	1,027.02
Bill	10/22/2019	Gold Sponsor	Mission City Community Fl	Sponsor annual charity dinner dance	5,000.00		30,350.00	648	1.775342	1,911.05
Bill	01/01/2020	16816	Silicon Valley Leadership C	2020 Membership fees \$4,500 + \$500 for ticket t	5,000.00		35,350.00	577	1.580822	1,670.24
Bill	09/21/2020	Gold Sponsor	Mission City Community Fl	Gold Sponsorship	5,000.00		40,350.00	313	0.857534	846.16
Bill	10/26/2020	FPPC #1266738	Santa Clara's Police Office	Contribution	5,000.00		45,350.00	278	0.761644	744.84
Bill	10/26/2020	FPPC #: 1429862	Committee to Save Caltra	Contribution	5,000.00		50,350.00	278	0.761644	744.84
Bill	01/01/2021	17392	Silicon Valley Leadership C	2021 Membership fees \$4,500 + \$500 for ticket t	5,000.00		55,350.00	211	0.578082	555.76
Bill	02/22/2021	Jan Reimb	Chris Shay	Annual Lobbyist license - Santa Clara	745.00		56,095.00	159	0.435616	61.58
Bill	02/22/2021	Jan Reimb	Chris Shay	Contribution - Affordable Housing - SV@Home	500.00		56,595.00	159	0.435616	41.33
Total Misc. Develop Exp					56,595.00	0.00	56,595.00			
Misc. Travel Expenses										

Summary of Santa Clara Costs plus accrued interest to July 31, 2021

Type	Date	Num	Name	Memo	Debit	Credit	Balance	O/S	# Years	Interest
General Journal	09/15/2014	194	Bob Mendelsohn	Paid via RUP - To record BM air travel to NYC on	677.88		677.88	2511	6.879452	1,698.28
General Journal	12/05/2016	52	Putnam Atlantic Properties	Paid via RUP - Travel reimbursement for student	3,375.74		4,053.62	1699	4.654795	4,511.80
General Journal	06/01/2017	53	Putnam Atlantic Properties	Paid via RUP - Financial Analysis - May - Santa	2,135.36		6,188.98	1521	4.167123	2,429.52
General Journal	07/03/2017	54	Scott Mendelsohn	Paid via RUP - Expense reimbursement - S. Mer	1,000.00		7,188.98	1489	4.079452	1,103.86
General Journal	09/04/2017	55	Putnam Atlantic Properties	Paid via RUP - Reimburse J. DeRiggi - travel to i	358.37		7,547.35	1426	3.906849	372.23
General Journal	11/06/2017	56	Putnam Atlantic Properties	Paid via RUP - Travel expenses - San Jose, Sar	2,916.80		10,464.15	1363	3.734247	2,845.41
Bill	02/05/2018	Jan 2018	Putnam Atlantic Properties	Jan - Travel to DC re Mayor fundrasing - - 1/3 to	265.28		10,729.43	1272	3.484932	235.50
Bill	04/09/2018	Mar 2018	Putnam Atlantic Properties	Mar - J.Deriggi travel to CA 3/12/18 to 3/15/18 -	1,557.78		12,287.21	1209	3.312329	1,291.80
Bill	05/01/2018	21	Kevin Moore	Mio Vicino/Old Quad meeting	300.00		12,587.21	1187	3.252055	242.78
Bill	05/10/2018	Apr 2018	Putnam Atlantic Properties	Apr - J.Deriggi travel to CA 4/26/18 to 4/27/18 -	748.46		13,335.67	1178	3.227397	599.63
Bill	08/05/2018	July 2018	Putnam Atlantic Properties	July - J.Deriggi travel to SF re VTA meeting	3,333.31		16,668.98	1091	2.989041	2,415.15
Bill	11/04/2018	Oct 2018	Putnam Atlantic Properties	Oct travel expenses to CA - 1/3 allocation	1,054.84		17,723.82	1000	2.739726	683.45
Bill	01/02/2019	Dec 2018	Putnam Atlantic Properties	Dec travel re VTA & City meetings	2,554.54		20,278.36	941	2.578082	1,532.87
Bill	04/04/2019	Mar 2019	Putnam Atlantic Properties	Deriggi - travel to CA - 1/3 of Santa Clara/Redw	702.58		20,980.94	849	2.326027	371.10
Bill	04/30/2019	April	Putnam Atlantic Properties	Deriggi - travel to CA - 1/3 of Santa Clara/Redw	1,015.78		21,996.72	823	2.254795	516.50
Bill	05/01/2019	May retainer	RHM Development LLC	B. Mendelsohn - May retainer 1/3 Redwood/Sout	2,500.00		24,496.72	822	2.252055	1,269.30
Bill	07/03/2019	June 2019	Putnam Atlantic Properties	50% travel to SF re San Francisco Pier	1,471.80		25,968.52	759	2.079452	678.52
Bill	08/06/2019	July 2019	Putnam Atlantic Properties	Travel to CA re Santa Clara Project VTA meeting	1,822.38		27,790.90	725	1.986301	795.30
Bill	11/22/2019	June - Nov	Bob Mendelsohn	Bob Mendelsohn expense reimbursement	183.92		27,974.82	617	1.690411	66.39
Bill	12/02/2019	Nov 2019	Putnam Atlantic Properties	Travel 50/50 re Santa Clara City meeting + SF F	1,706.51		29,681.33	607	1.663014	604.43
Bill	01/01/2020	Jan 2020	Putnam Atlantic Properties	Travel 50/50 re Santa Clara City meeting + SSF	1,604.21		31,285.54	577	1.580822	535.88
Check	01/23/2020	1567	RHM Development LLC	Travel reimbursement to BM	356.00		31,641.54	555	1.520548	113.73
Bill	04/01/2020	Mar 2020	Putnam Atlantic Properties	Mar reimbursement of DeRiggi travel expenses	672.84		32,314.38	486	1.331507	184.87
Bill	09/01/2020	Sept	Scott Mendelsohn	Misc trael expense - Scott Mendelsohn	50.00		32,364.38	333	0.912329	9.05
Total Misc. Travel Expenses					32,364.38	0.00	32,364.38			
Total 07000 - Misc Expenses					88,959.38	0.00	88,959.38			
09000 - Project Management										
Administration										
PMT Accounting & Consulting Ser										
General Journal	05/31/2016	57	PMT Accounting & Consult	Paid via RUP - May Admin 1/3 - SSF/Redwood/S	833.34		833.34	1887	5.169863	1,305.50
General Journal	07/01/2016	58	PMT Accounting & Consult	Paid via RUP -June Admin 1/3 - SSF/Redwood/S	833.34		1,666.68	1856	5.084932	1,272.64
General Journal	07/31/2016	59	PMT Accounting & Consult	Paid via RUP - July Admin 1/3 - SSF/Redwood/S	833.34		2,500.02	1826	5.00274	1,241.31
General Journal	09/01/2016	60	PMT Accounting & Consult	Paid via RUP - Aug Admin 1/3 - SSF/Redwood/S	833.34		3,333.36	1794	4.915068	1,208.41
General Journal	10/01/2016	61	PMT Accounting & Consult	Paid via RUP - Sept Admin 1/3 - SSF/Redwood/S	833.34		4,166.70	1764	4.832877	1,178.05
Total PMT Accounting & Consulting Ser					4,166.70	0.00	4,166.70			
Total Administration					4,166.70	0.00	4,166.70			
Consultants										
B.Mendelsohn										
General Journal	11/01/2015	221	Bob Mendelsohn	Paid via RPC - Nov - Consultancy (1/2)	3,750.00		2,500.00	2099	5.750685	6,949.85
General Journal	12/07/2015	222	Bob Mendelsohn	Paid via RPC - Dec - Consultancy (1/2)	3,750.00		6,250.00	2063	5.652055	6,759.16
General Journal	01/01/2016	223	Bob Mendelsohn	Paid via RPC - Jan - Consultancy (1/2)	3,750.00		10,000.00	2038	5.583562	6,628.74
General Journal	02/01/2016	224	Bob Mendelsohn	Paid via RPC - Feb - Consultancy (1/2)	3,750.00		13,750.00	2007	5.49863	6,469.26
General Journal	03/01/2016	225	Bob Mendelsohn	Paid via RPC - Mar - Consultancy (1/2)	3,750.00		17,500.00	1978	5.419178	6,322.30
General Journal	04/01/2016	226	Bob Mendelsohn	Paid via RPC - Apr - Consultancy (1/2)	3,750.00		21,250.00	1947	5.334247	6,167.53
General Journal	05/01/2016	227	Bob Mendelsohn	Paid via RPC - May - Consultancy (1/2)	3,750.00		25,000.00	1917	5.252055	6,020.02
General Journal	06/01/2016	228	Bob Mendelsohn	Paid via RUP - June - Consultancy (1/2)	3,750.00		28,750.00	1886	5.167123	5,869.90
General Journal	07/01/2016	229	Bob Mendelsohn	Paid via RPC - Jul - Consultancy (1/2)	3,750.00		32,500.00	1856	5.084932	5,726.82
General Journal	08/01/2016	230	Bob Mendelsohn	Paid via RPC - Aug - Consultancy (1/2)	3,750.00		36,250.00	1825	5	5,581.20
General Journal	09/07/2016	231	Bob Mendelsohn	Paid via RPC - Sept - Consultancy (1/2)	3,750.00		40,000.00	1788	4.89863	5,410.33
General Journal	10/08/2016	232	Bob Mendelsohn	Paid via RPC - Oct - Consultancy (1/2)	3,750.00		43,750.00	1757	4.813699	5,269.57
General Journal	11/01/2016	233	Bob Mendelsohn	Paid via RPC - Nov - Consultancy (1/2)	3,750.00		47,500.00	1733	4.747945	5,162.09

Summary of Santa Clara Costs plus accrued interest to July 31, 2021

Type	Date	Num	Name	Memo	Debit	Credit	Balance	O/S	# Years	Interest
General Journal	12/01/2016	234	Bob Mendelsohn	Paid via RPC - Dec - Consultancy (1/2)	3,750.00		51,250.00	1703	4.665753	5,029.53
General Journal	01/12/2018	249	Bob Mendelsohn	To record January payment (paid via RHC) - 1/2	4,000.00		55,250.00	1296	3.550685	3,642.01
General Journal	02/12/2018	247		Feb - services - 1/2 allocation	3,750.00		59,000.00	1265	3.465753	3,304.30
Bill	03/01/2018	March Services	Bob Mendelsohn	Mar - services - 1/3 allocation	3,750.00		62,750.00	1248	3.419178	3,244.65
Bill	04/01/2018	April Services	RHM Development LLC	Apr services - 1/3 allocation	3,750.00		66,500.00	1217	3.334247	3,137.17
Bill	05/10/2018	May Services	RHM Development LLC	May services - 1/3 allocation	3,750.00		70,250.00	1178	3.227397	3,004.30
Bill	06/01/2018	June	Bob Mendelsohn	June services - 1/3 allocation	3,750.00		74,000.00	1156	3.167123	2,930.49
Bill	07/01/2018	July Services	Bob Mendelsohn	Jul services - 1/3 allocation	3,750.00		77,750.00	1126	3.084932	2,831.12
Bill	08/01/2018	Aug Services	RHM Development LLC	Aug services - 1/3 allocation	3,750.00		81,500.00	1095	3	2,730.00
Bill	09/01/2018	Sept services	RHM Development LLC	Sep services - 1/3 allocation	3,750.00		85,250.00	1064	2.915068	2,630.43
Bill	10/01/2018	Oct services	RHM Development LLC	Oct services - 1/3 allocation	3,750.00		89,000.00	1034	2.832877	2,535.53
Bill	11/01/2018	Nov Services	RHM Development LLC	Nov services - 1/3 allocation	3,750.00		92,750.00	1003	2.747945	2,438.95
Bill	12/01/2018	Dec Services	RHM Development LLC	Dec Services - 1/3 allocation	3,750.00		96,500.00	973	2.665753	2,346.90
Bill	01/01/2019	Jan retainer	RHM Development LLC	Jan Services - 1/3 allocation	3,750.00		100,250.00	942	2.580822	2,253.22
General Journal	02/15/2019	243	RHM Development LLC	To record February payment - 1/3 allocation	3,750.00		104,000.00	897	2.457534	2,119.78
General Journal	03/15/2019		RHM Development LLC	To record March payment - 1/3 allocation	3,750.00		107,750.00	869	2.380822	2,038.26
Bill	04/15/2019	April retainer	RHM Development LLC	B. Mendelsohn - April retainer 1/2	3,750.00		111,500.00	838	2.29589	1,949.32
Bill	06/01/2019	June Retainer	RHM Development LLC	B. Mendelsohn - June retainer 1/2	3,750.00		115,250.00	791	2.167123	1,817.07
General Journal	06/10/2019	257		June additional services - 1/2 allocation	8,750.00		123,999.99	782	2.142466	4,181.56
Bill	07/01/2019	July retainer	RHM Development LLC	B. Mendelsohn - July retainer 1/2	3,750.00		127,749.99	761	2.084932	1,734.27
Bill	07/01/2019	July Consultancy	RHM Development LLC - E	July additional services - 1/2 allocation	8,750.00		136,499.99	761	2.084932	4,046.63
Bill	08/01/2019	Aug retainer	RHM Development LLC	B. Mendelsohn - Aug retainer 1/2	3,750.00		140,249.99	730	2	1,650.00
Bill	08/01/2019	Aug Consultancy	RHM Development LLC - E	Aug additional services - 1/2 allocation	8,750.00		148,999.99	730	2	3,850.00
General Journal	09/03/2019	243	Bob Mendelsohn	To record Sept payment to RHM - 1/2 allocation	12,500.00		161,499.99	697	1.909589	5,205.72
General Journal	10/01/2019	248	Bob Mendelsohn	To record Oct payment to RHM - 1/2 allocation	12,500.00		173,999.98	669	1.832877	4,959.81
General Journal	10/31/2019	253	Bob Mendelsohn	To record Oct payment to RHM - 1/2 allocation	12,500.00		186,499.98	639	1.750685	4,700.12
General Journal	11/27/2019	263	Bob Mendelsohn	To record Dec payment to RHM - 1/2 allocation	12,500.00		198,999.97	612	1.676712	4,469.70
General Journal	12/23/2019	269	Bob Mendelsohn	To record Dec payment to RHM - 1/2 allocation	12,500.00		211,499.97	586	1.605479	4,250.73
General Journal	01/30/2020	276	Bob Mendelsohn	To record Feb payment to RHM - 1/2 allocation	12,500.00		223,999.96	548	1.50137	3,935.78
General Journal	02/28/2020	281	Bob Mendelsohn	To record Oct payment to RHM - 1/2 allocation	12,500.00		236,499.96	519	1.421918	3,699.41
General Journal	04/01/2020	253	Bob Mendelsohn	To record Apr payment to RHM - 1/2 allocation	12,500.00		248,999.95	486	1.331507	3,434.57
General Journal	04/30/2020	260	Bob Mendelsohn	To record April payment to RHM - 1/2 allocation	12,500.00		261,499.95	457	1.252055	3,205.41
General Journal	06/01/2020	265	Bob Mendelsohn	To record June payment to RHM - 1/2 allocation	12,500.00		273,999.95	425	1.164384	2,956.36
General Journal	07/01/2020	271	Bob Mendelsohn	To record June payment to RHM - 1/2 allocation	12,500.00		286,499.95	395	1.082192	2,726.47
General Journal	08/01/2020	279	Bob Mendelsohn	To record July payment to RHM - 1/2 allocation	12,500.00		298,999.95	364	0.99726	2,492.51
General Journal	09/01/2020	286	Bob Mendelsohn	To record Sept payment to RHM - 1/2 allocation	12,500.00		311,499.95	333	0.912329	2,262.14
General Journal	10/01/2020	295	Bob Mendelsohn	To record Oct payment to RHM - 1/2 allocation	12,500.00		323,999.95	303	0.830137	2,042.57
General Journal	11/01/2020	298	Bob Mendelsohn	To record Nov payment to RHM - 1/2 allocation	12,500.00		336,499.94	272	0.745205	1,819.12
General Journal	12/01/2020	304	Bob Mendelsohn	To record Dec payment to RHM - 1/2 allocation	12,500.00		348,999.94	242	0.663014	1,606.14
General Journal	01/04/2021	308	Bob Mendelsohn	To record Jan payment to RHM - 1/2 allocation	12,500.00		361,499.93	208	0.569863	1,368.59
General Journal	01/29/2021	312	Bob Mendelsohn	To record Jan payment to RHM - 1/2 allocation	12,500.00		373,999.93	183	0.50137	1,196.48
General Journal	03/01/2021	318	Bob Mendelsohn	To record Mar payment to RHM - 1/2 allocation	12,500.00		386,499.92	152	0.416438	986.03
General Journal	04/01/2021	333	Bob Mendelsohn	To record Apr payment to RHM - 1/2 allocation	12,500.00		398,999.92	121	0.331507	778.81
General Journal	04/30/2021	349	Bob Mendelsohn	To record May payment to RHM - 1/2 allocation	12,500.00		411,499.91	92	0.252055	587.84
General Journal	06/01/2021	354	Bob Mendelsohn	To record June payment to RHM - 1/2 allocation	12,500.00		423,999.91	60	0.164384	380.30
General Journal	07/01/2021	368	Bob Mendelsohn	To record July payment to RHM - 1/2 allocation	12,500.00		436,499.90	30	0.082192	188.73
Total B.Mendelsohn					437,749.90	0.00	436,499.90			
Putnam Atlantic Properties LLC										
General Journal	10/04/2017	235	Putnam Atlantic Properties	Paid via RUP - Sept services - 1/3 to Santa Cla	3,333.33		3,333.33	1396	3.824658	3,361.19
General Journal	11/06/2017	62	Putnam Atlantic Properties	Paid via RUP - Oct Services re Santa Clara/Red	3,333.33		6,666.66	1363	3.734247	3,251.74
General Journal	11/06/2017	236	Putnam Atlantic Properties	Paid via RUP - Oct services - 1/3 to Santa Clara	3,333.33		9,999.99	1363	3.734247	3,251.74

Summary of Santa Clara Costs plus accrued interest to July 31, 2021

Type	Date	Num	Name	Memo	Debit	Credit	Balance	O/S	# Years	Interest
General Journal	12/05/2017	63	Putnam Atlantic Properties	Paid via RUP - Nov Services re Santa Clara/Rec	3,333.32		13,333.32	1334	3.654795	3,157.04
General Journal	12/05/2017	237	Putnam Atlantic Properties	Paid via RUP - Nov services - 1/3 to Santa Clar	3,333.33		16,666.65	1334	3.654795	3,157.04
General Journal	01/03/2018	64	Putnam Atlantic Properties	Paid via RUP - Dec Services re Santa Clara/Rec	5,000.00		21,666.65	1305	3.575342	4,595.55
General Journal	01/03/2018	238	Putnam Atlantic Properties	Paid via RUP - Dec - Development fee - 1/3 of £	3,666.67		25,333.32	1305	3.575342	3,370.08
Bill	02/05/2018	Jan 2018	Putnam Atlantic Properties	Jan - Development fee - 1/3 to Santa Clara/Red	6,666.67		31,999.99	1272	3.484932	5,918.24
Bill	03/09/2018	Feb 2018	Putnam Atlantic Properties	Feb - Development fee - 1/3 of Santa Clara/Red	6,666.67		38,666.66	1240	3.39726	5,718.68
Bill	04/09/2018	Mar 2018	Putnam Atlantic Properties	Mar - Development fee - 1/3 of Santa Clara/Red	6,666.67		45,333.33	1209	3.312329	5,528.37
Bill	05/10/2018	Apr 2018	Putnam Atlantic Properties	Apr - Development fee - 1/3 of Santa Clara/Redv	6,666.67		52,000.00	1178	3.227397	5,340.99
Bill	06/04/2018	May	Putnam Atlantic Properties	May - Development fee - 1/3 of Santa Clara/Red	6,666.67		58,666.67	1153	3.158904	5,191.97
Bill	07/10/2018	June 2018	Putnam Atlantic Properties	June - Development fee - 1/3 of Santa Clara/Rec	6,666.67		65,333.34	1117	3.060274	4,980.63
Bill	08/05/2018	July 2018	Putnam Atlantic Properties	July - Development fee - 1/3 of Santa Clara/Red	6,666.67		72,000.01	1091	2.989041	4,830.34
Bill	09/09/2018	Aug 2018	Putnam Atlantic Properties	Aug - Development fee - 1/3 of Santa Clara/Red	6,666.67		78,666.68	1056	2.893151	4,631.09
Bill	10/09/2018	Sept	Putnam Atlantic Properties	Sep - Development fee - 1/3 of Santa Clara/Red	6,666.67		85,333.35	1026	2.810959	4,463.05
Bill	11/04/2018	Oct 2018	Putnam Atlantic Properties	Oct - Development fee - 1/3 of Santa Clara/Redv	6,863.33		92,196.68	1000	2.739726	4,446.86
Bill	12/04/2018	Nov 2018	Putnam Atlantic Properties	Nov - Development fee - 1/3 of Santa Clara/Red	6,470.00		98,666.68	970	2.657534	4,033.43
Bill	01/02/2019	Dec 2018	Putnam Atlantic Properties	Dec - Development fee - 1/3 of Santa Clara/Red	6,666.67		105,333.35	941	2.578082	4,000.39
Bill	02/06/2019	Jan 2019	Putnam Atlantic Properties	Jan - Development fee - 1/3 of Santa Clara/Redv	6,666.67		112,000.02	906	2.482192	3,815.52
Bill	03/10/2019	Feb 2019	Putnam Atlantic Properties	Feb - Development fee - 1/3 of Santa Clara/Red	6,666.67		118,666.69	874	2.394521	3,649.30
Bill	04/04/2019	Mar 2019	Putnam Atlantic Properties	Mar - Development fee - 1/3 of Santa Clara/Red	6,666.67		125,333.36	849	2.326027	3,521.28
Bill	04/30/2019	April	Putnam Atlantic Properties	Apr - Development fee - 1/3 of Santa Clara/Redv	6,666.67		132,000.03	823	2.254795	3,389.82
Bill	06/07/2019	May 2019	Putnam Atlantic Properties	May - Development fee - 1/3 of Santa Clara/Red	6,666.67		138,666.70	785	2.150685	3,200.73
Bill	07/03/2019	June 2019	Putnam Atlantic Properties	June - Development fee - 1/3 of Santa Clara/Rec	6,666.67		145,333.37	759	2.079452	3,073.41
Bill	08/06/2019	July 2019	Putnam Atlantic Properties	July - Development fee - 1/3 of Santa Clara/Red	6,666.67		152,000.04	725	1.986301	2,909.39
Bill	09/01/2019	Aug 2019	Putnam Atlantic Properties	Aug - Development fee - 1/3 of Santa Clara/Red	6,666.67		158,666.71	699	1.915068	2,785.83
Bill	10/05/2019	10/05/2019	Putnam Atlantic Properties	Sep - Development fee - 1/3 of Santa Clara/Red	6,666.67		165,333.38	665	1.821918	2,626.65
Bill	11/03/2019	Oct 2019	Putnam Atlantic Properties	Oct - Development fee - 1/3 of Santa Clara/Redv	6,666.67		172,000.05	636	1.742466	2,492.99
Bill	12/02/2019	Nov 2019	Putnam Atlantic Properties	Nov - Development fee - 1/3 of Santa Clara/Red	6,666.67		178,666.72	607	1.663014	2,361.27
Bill	01/01/2020	Jan 2020	Putnam Atlantic Properties	Dec - Development fee - 1/3 of Santa Clara/Red	6,666.67		185,333.39	577	1.580822	2,226.99
Bill	02/01/2020	Jan	Putnam Atlantic Properties	Jan - Development fee - 1/3 of Santa Clara/Redv	6,666.67		192,000.06	546	1.49589	2,090.33
Bill	03/01/2020	Feb 2020	Putnam Atlantic Properties	Feb - Development fee - 1/3 of Santa Clara/Red	6,666.67		198,666.73	517	1.416438	1,964.39
Bill	04/01/2020	Mar 2020	Putnam Atlantic Properties	Mar - Development fee - 1/3 of Santa Clara/Red	6,666.67		205,333.40	486	1.331507	1,831.77
Bill	04/30/2020	April 2020	Putnam Atlantic Properties	Apr - Development fee - 1/3 of Santa Clara/Redv	6,666.67		212,000.07	457	1.252055	1,709.55
Bill	06/02/2020	May 2020	Putnam Atlantic Properties	May - Development fee - 1/2 of Santa Clara/Red	10,000.00		222,000.07	424	1.161644	2,358.92
Bill	07/03/2020	June 2020	Putnam Atlantic Properties	June - Development fee - 1/2 of Santa Clara/Rec	10,000.00		232,000.07	393	1.076712	2,169.01
Bill	08/03/2020	July 2020	Putnam Atlantic Properties	July - Development fee - 1/2 of Santa Clara/Red	10,000.00		242,000.07	362	0.991781	1,982.03
Bill	09/01/2020	Aug 2020	Putnam Atlantic Properties	Aug - Development fee - 1/2 of Santa Clara/Red	10,000.00		252,000.07	333	0.912329	1,809.71
Bill	10/02/2020	Sept 2020	Putnam Atlantic Properties	Aug - Development fee - 1/2 of Santa Clara/Red	10,000.00		262,000.07	302	0.827397	1,628.25
Bill	11/03/2020	Oct 2020	Putnam Atlantic Properties	Oct - Development fee - 1/3 of Santa Clara/Red	6,666.67		268,666.74	270	0.739726	962.57
Bill	12/01/2020	Nov 2020	Putnam Atlantic Properties	Nov - Development fee - 1/3 of Santa Clara/Rec	6,666.67		275,333.41	242	0.663014	856.61
Bill	01/04/2021	Dec 2020	Putnam Atlantic Properties	Nov - Development fee - 1/3 of Santa Clara/Rec	6,666.67		282,000.08	208	0.569863	729.92
Bill	02/02/2021	Jan 2021	Putnam Atlantic Properties	Jan - Development fee - 1/3 of Santa Clara/Redv	6,666.67		288,666.75	179	0.490411	623.54
Bill	03/02/2021	Feb 2021	Putnam Atlantic Properties	Feb - Development fee - 1/3 of Santa Clara/Red	6,666.67		295,333.42	151	0.413699	522.29
Bill	04/02/2021	Mar 2021	Putnam Atlantic Properties	Mar - Development fee - 1/3 of Santa Clara/Red	6,666.67		302,000.09	120	0.328767	411.83
Bill	05/03/2021	Apr 2021	Putnam Atlantic Properties	Apr - Development fee - 1/3 of Santa Clara/Redv	6,666.67		308,666.76	89	0.243836	303.06
Bill	06/01/2021	May 2021	Putnam Atlantic Properties	May - Development fee - 1/3 of Santa Clara/Red	6,666.67		315,333.43	60	0.164384	202.83
Bill	07/01/2021	June 2021	Putnam Atlantic Properties	June - Development fee - 1/3 of Santa Clara/Rec	6,666.67		322,000.10	30	0.082192	100.65
Total Putnam Atlantic Properties LLC					322,000.10	0.00	322,000.10			
S. Mendelsohn										
General Journal	11/01/2015	221	Scott Mendelsohn	Paid via RUP - Nov - Consultancy (1/2)	2,500.00		1,666.67	2099	5.750685	4,633.23
General Journal	12/07/2015	222	Scott Mendelsohn	Paid via RUP - Dec - Consultancy (1/2)	2,500.00		3,333.34	2063	5.652055	4,506.11
General Journal	01/01/2016	223	Scott Mendelsohn	Paid via RUP - Jan - Consultancy (1/2)	2,500.00		5,000.01	2038	5.583562	4,419.16

Summary of Santa Clara Costs plus accrued interest to July 31, 2021

Type	Date	Num	Name	Memo	Debit	Credit	Balance	O/S	# Years	Interest
General Journal	02/01/2016	224	Scott Mendelsohn	Paid via RUP - Feb - Consultancy (1/2)	2,500.00		6,666.68	2007	5.49863	4,312.84
General Journal	03/01/2016	225	Scott Mendelsohn	Paid via RUP - Mar - Consultancy (1/2)	2,500.00		8,333.35	1978	5.419178	4,214.86
General Journal	04/01/2016	226	Scott Mendelsohn	Paid via RUP - Apr - Consultancy (1/2)	2,500.00		10,000.02	1947	5.334247	4,111.69
General Journal	05/01/2016	227	Scott Mendelsohn	Paid via RUP - May - Consultancy (1/2)	2,500.00		11,666.69	1917	5.252055	4,013.35
General Journal	06/01/2016	228	Scott Mendelsohn	Paid via RUP - June - Consultancy (1/2)	2,500.00		13,333.36	1886	5.167123	3,913.27
General Journal	07/01/2016	229	Scott Mendelsohn	Paid via RUP - Jul - Consultancy (1/2)	2,500.00		15,000.03	1856	5.084932	3,817.88
General Journal	08/01/2016	230	Scott Mendelsohn	Paid via RUP - Aug - Consultancy (1/2)	2,500.00		16,666.70	1825	5	3,720.80
General Journal	09/07/2016	231	Scott Mendelsohn	Paid via RUP - Sept - Consultancy (1/2)	2,500.00		18,333.37	1788	4.89863	3,606.88
General Journal	10/08/2016	232	Scott Mendelsohn	Paid via RUP - Oct - Consultancy (1/2)	2,500.00		20,000.04	1757	4.813699	3,513.05
General Journal	11/01/2016	233	Scott Mendelsohn	Paid via RUP - Nov - Consultancy (1/2)	2,500.00		21,666.71	1733	4.747945	3,441.39
General Journal	12/01/2016	234	Scott Mendelsohn	Paid via RUP - Dec - Consultancy (1/2)	2,500.00		23,333.38	1703	4.665753	3,353.02
General Journal	11/01/2017	65	Scott Mendelsohn	Paid via RUP - Nov services - 50%	2,500.00		25,000.05	1368	3.747945	2,451.16
General Journal	12/01/2017	66	Scott Mendelsohn	Paid via RUP - Dec services - 50%	2,500.00		26,666.72	1338	3.665753	2,377.52
General Journal	12/11/2017	67	Scott Mendelsohn	Paid via RUP - Year end bonus - 50%	2,500.00		28,333.39	1328	3.638356	2,353.22
General Journal	01/01/2018	68	Scott Mendelsohn	Paid via RUP - Jan 2018 Consultancy - 50%	3,750.00		30,833.39	1307	3.580822	3,453.86
General Journal	01/01/2018			To correct 12/31/17 transfer Santa Clara Progra		10,000.00	20,833.39	1307	3.580822	-
Bill	02/01/2018	Feb	Scott Mendelsohn	Feb - 1/2 allocation	3,750.00		23,333.39	1276	3.49589	3,343.17
Bill	03/01/2018	Mar Consultancy	Scott Mendelsohn	Mar - 1/2 allocation	3,750.00		25,833.39	1248	3.419178	3,244.65
Bill	04/02/2018	021	Scott Mendelsohn	Apr - 1/2 allocation	3,750.00		28,333.39	1216	3.331507	3,133.73
Bill	05/01/2018	22	Scott Mendelsohn	May - 1/2 allocation	3,750.00		30,833.39	1187	3.252055	3,034.74
Bill	06/01/2018	June Consultancy	Scott Mendelsohn	June - 1/2 allocation	3,750.00		33,333.39	1156	3.167123	2,930.49
Bill	07/05/2018	#24	Scott Mendelsohn	July - 1/2 allocation	3,750.00		35,833.39	1122	3.073973	2,817.99
Bill	08/01/2018	#25 - August	Scott Mendelsohn	Aug - 1/2 allocation	3,750.00		38,333.39	1095	3	2,730.00
Bill	09/01/2018	#26	Scott Mendelsohn	Sept - 1/2 allocation	3,750.00		40,833.39	1064	2.915068	2,630.43
Bill	10/01/2018	027	Scott Mendelsohn	Oct - 1/2 allocation	3,750.00		43,333.39	1034	2.832877	2,535.53
Bill	11/01/2018	Nov Consultancy	Scott Mendelsohn	Nov - 1/2 allocation	3,750.00		45,833.39	1003	2.747945	2,438.95
Bill	11/29/2018	Bonus	Scott Mendelsohn	2018 bonus - 1/2 allocation	5,000.00		49,166.73	975	2.671233	3,137.32
Bill	12/01/2018	29	Scott Mendelsohn	Dec - 1/2 allocation	2,500.00		51,666.73	973	2.665753	1,564.60
Bill	01/01/2019	030	Scott Mendelsohn	Jan - 1/2 allocation	4,166.67	12,500.01	54,444.51	942	2.580822	2,503.58
Bill	02/01/2019	031	Scott Mendelsohn	Feb - 1/2 allocation	4,166.67		57,222.29	911	2.49589	2,401.08
Bill	03/01/2019	March	Scott Mendelsohn	Mar - 1/2 allocation	4,166.67		60,000.07	883	2.419178	2,309.86
Bill	04/01/2019	33	Scott Mendelsohn	Apr- 1/2 allocation	4,166.67		62,777.85	852	2.334247	2,210.35
Bill	05/01/2019	34	Scott Mendelsohn	May - 1/2 allocation	4,166.67		65,555.63	822	2.252055	2,115.50
Bill	06/01/2019	035	Scott Mendelsohn	June - 1/2 allocation	5,000.00		68,888.96	791	2.167123	2,422.76
Bill	07/01/2019	36	Scott Mendelsohn	July - 1/2 allocation	5,000.00		72,222.29	761	2.084932	2,312.36
Bill	08/01/2019	037	Scott Mendelsohn	Aug - 1/2 allocation	5,000.00		75,555.62	730	2	2,200.00
Bill	09/01/2019	038	Scott Mendelsohn	Sept - 1/2 allocation	5,000.00		78,888.95	699	1.915068	2,089.37
Bill	10/01/2019	39	Scott Mendelsohn	Oct - 1/2 allocation	5,000.00		82,222.28	669	1.832877	1,983.92
Bill	11/01/2019	040	Scott Mendelsohn	Nov - 1/2 allocation	5,000.00		85,555.61	638	1.747945	1,876.61
Bill	12/01/2019	41	Scott Mendelsohn	Dec - 1/2 allocation	5,000.00		88,888.94	608	1.665753	1,774.33
Check	12/09/2019	1494	Scott Mendelsohn	Bonus for 2019 services - 1/2 allocation	10,000.00		95,555.61	600	1.643836	3,494.63
Bill	01/01/2020	042	Scott Mendelsohn	Jan - 1/2 allocation	5,000.00		98,888.94	577	1.580822	1,670.24
Bill	02/01/2020	043	Scott Mendelsohn	Feb - 1/2 allocation	5,000.00		102,222.27	546	1.49589	1,567.75
Bill	03/01/2020	44	Scott Mendelsohn	Mar - 1/2 allocation	5,000.00		105,555.60	517	1.416438	1,473.29
Bill	04/01/2020	45	Scott Mendelsohn	Apr - 1/2 allocation	5,000.00		108,888.93	486	1.331507	1,373.83
Bill	05/01/2020	46	Scott Mendelsohn	May - 1/2 allocation	5,000.00		113,888.93	456	1.249315	1,279.03
Bill	06/01/2020	047	Scott Mendelsohn	June - 1/2 allocation	5,000.00		118,888.93	425	1.164384	1,182.55
Bill	07/01/2020	48	Scott Mendelsohn	July - 1/2 allocation	5,000.00		123,888.93	395	1.082192	1,090.59
Bill	08/01/2020	49	Scott Mendelsohn	August - 1/2 allocation	5,000.00		128,888.93	364	0.99726	997.00
Bill	09/01/2020	Sept	Scott Mendelsohn	Sept - 1/2 allocation	5,000.00		133,888.93	333	0.912329	904.86
Bill	10/01/2020	051	Scott Mendelsohn	Oct - 1/2 allocation	5,000.00		138,888.93	303	0.830137	817.03

Summary of Santa Clara Costs plus accrued interest to July 31, 2021

Type	Date	Num	Name	Memo	Debit	Credit	Balance	O/S	# Years	Interest
Bill	11/02/2020	Nov - #52	Scott Mendelsohn	Nov - 1/2 allocation	5,000.00		142,222.26	271	0.742466	724.79
Bill	12/01/2020	053	Scott Mendelsohn	Dec - 1/2 allocation	50,000.00		145,555.59	242	0.663014	6,424.57
Check	12/15/2020	1986	Scott Mendelsohn	Bonus for 2020 services - 1/2 allocation	10,000.00		152,222.26	228	0.624658	1,206.27
Bill	01/04/2021	54	Scott Mendelsohn	Jan - 1/2 allocation	5,750.00		156,055.59	208	0.569863	629.55
Bill	02/01/2021	055	Scott Mendelsohn	Feb - 1/2 allocation	5,750.00		159,888.92	180	0.493151	540.95
Bill	03/01/2021	#56	Scott Mendelsohn	Mar - 1/2 allocation	5,750.00		163,722.25	152	0.416438	453.57
Bill	04/01/2021	#057	Scott Mendelsohn	Apr - 1/2 allocation	5,750.00		167,565.58	121	0.331507	358.25
Bill	05/01/2021	58	Scott Mendelsohn	May - 1/2 allocation	5,750.00		171,388.91	91	0.249315	267.40
Bill	06/01/2021	#59	Scott Mendelsohn	June - 1/2 allocation	5,750.00		175,222.24	60	0.164384	174.94
Bill	07/01/2021	#060	Scott Mendelsohn	July - 50% allocation	5,750.00		177,138.91	30	0.082192	86.81
Total S. Mendelsohn					312,333.32	22,500.01	177,138.91			1,821,423.91
Total Consultants					1,072,083.32	22,500.01	935,638.91			
Total 09000 - Project Management					1,076,250.02	22,500.01	939,805.61			
TOTAL					3,793,666.09	37,270.89	3,642,450.80			1,821,423.91

Project Costs	3,642,450.80
Interest to 7/31/21	1,821,423.91
\$	5,463,874.71

Exhibit B

Republic Santa Clara Project - Lost Opportunity			
	<u>JV Investor</u>	<u>Republic</u>	<u>Project</u>
Total Equity Investment	\$39,402,991	\$4,378,110	\$43,781,101
Gross Income & Proceeds Projected	\$82,082,032	\$18,863,141	\$100,945,173
Net Profit - Lost Opportunity Cost	\$42,679,041	\$14,485,031	\$57,164,072

1 **PROOF OF SERVICE**

2 The undersigned declares:

3 I am employed in the County of San Francisco, State of California. I am over the age of
4 18 and am not a party to the within action; my business address is c/o Nossaman LLP, 50
California Street, 34th Floor, San Francisco, CA 94111.

5 On March 4, 2022, I served the foregoing DECLARATION OF BRENDAN F.
6 MACAULAY IN SUPPORT OF DEMURRER OF CITY OF SANTA CLARA TO PLAINTIFF
REPUBLIC METROPOLITAN'S COMPLAINT AND MOTION TO STRIKE PORTIONS OF
7 PLAINTIFF'S COMPLAINT on parties to the within action as follows:

8 ☐ (By U.S. Mail) On the same date, at my said place of business, Copy enclosed in a sealed
9 envelope, addressed as shown on the attached service list was placed for collection and
10 mailing following the usual business practice of my said employer. I am readily familiar
11 with my said employer's business practice for collection and processing of
correspondence for mailing with the United States Postal Service, and, pursuant to that
practice, the correspondence would be deposited with the United States Postal Service,
with postage thereon fully prepaid, on the same date at San Francisco, California.

12 ☐ (By Facsimile) I served a true and correct copy by facsimile pursuant to C.C.P. 1013(e),
13 to the number(s) listed on the attached sheet. Said transmission was reported complete
14 and without error. A transmission report was properly issued by the transmitting
facsimile machine, which report states the time and date of sending and the telephone
15 number of the sending facsimile machine. A copy of that transmission report is attached
hereto.

16 ☐ (By Overnight Service) I served a true and correct copy by overnight delivery service for
17 delivery on the next business day. Each copy was enclosed in an envelope or package
18 designated by the express service carrier; deposited in a facility regularly maintained by
the express service carrier or delivered to a courier or driver authorized to receive
documents on its behalf; with delivery fees paid or provided for; addressed as shown on
the accompanying service list.

19 ☐ (By Electronic Service) By emailing true and correct copies to the persons at the
20 electronic notification address(es) shown on the accompanying service list. The
21 document(s) was/were served electronically and the transmission was reported as
complete and without error.

22 ☒ (By Electronic Service) Pursuant to California Rules of Court, rules 2.251(a)(2) and
23 2.251(a)(3), by submitting an electronic version of the document(s) to One Legal,
24 through the user interface at www.onelegal.com, I caused the document(s) to be sent to
the person(s) listed on the attached service list.

25 Executed on March 4, 2022.

26 ☒ (STATE) I declare under penalty of perjury under the laws of the State of California that
27 the foregoing is true and correct.

28 /s/ Anthony Levintow
Anthony Levintow

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

SERVICE LIST

Joseph W. Cotchett	Ann M. Ravel
James G. Dallal	RAVEL LAW
Tamarah P. Prevost	25 Central Avenue
COTCHETT, PITRE & McCARTHY, LLP	Los Gatos, CA 95030
San Francisco Airport Office Center	Telephone: (408) 458-0719
840 Malcolm Road, Suite 200	ann.ravel@gmail.com
Burlingame, CA 94010	
Telephone: (650) 697-6000	<i>Attorneys for Plaintiff Republic Metropolitan</i>
Facsimile: (650) 697-0577	
jcotchett@cpmlegal.com	
jdallal@cpmlegal.com	
tprevost@cpmlegal.com	

Attorneys for Plaintiff Republic Metropolitan



City of Santa Clara

Tentative Meeting Agenda Calendar

Note: *These proposed dates are tentative and subject to change based on staff capacity, meeting management, and deferred items by Council requiring other items to free up agenda meeting time.*

Tuesday, July 11, 2023 – Joint Council and Authorities Concurrent and Stadium Authority Meeting

Special Order of Business

23-839 Proclaim July 2023 as Parks and Recreation Month

Public Hearing/General Business

23-186 Public Hearing: Action on a Resolution Confirming the 2023 Weed Abatement Program and Assessment

23-592 Responses to City Council Questions Regarding the Cleanup Campaign Alternatives and Community Survey Results Presentation from the April 18, 2023 City Council Meeting (File# 23-1171) and Action to Authorize the City Manager to Negotiate and Execute an Amendment to the Exclusive Franchise Agreement with Mission Trail Waste Systems to add More Disposal Days at the Mission Trail Transfer Station

23-726 Action to Waive First Reading and Approve Introduction of an Ordinance Amending Chapter 5.05 (Solicitors and Peddlers) and Section 9.05.165 (Activities and Conduct Prohibited in Parking Facilities Adjacent to the Stadium or Parking Facilities Used for Stadium Events) of the Santa Clara City Code to Create a Limited-Term Pilot Project Regulating Vending Upon Certain Public Sidewalks and Pedestrian Paths Surrounding Levi's Stadium on Event Days Pursuant to SB 946

23-814 Discuss and Consider the Creation of an Independent Ethics Commission

Tentative Tuesday, July 17, 2023 – Special Council Meeting – 5:30 PM

Interviews:

Bicycle and Pedestrian Advisory Committee Applicants

Civil Service Commission Applicants

Parks and Recreation Commission Applicants

Tuesday, July 18, 2023 – Council and Authorities Concurrent and Meeting

Public Hearing/General Business

- 23-824** Action on Appointments Related to a Charter Review Committee to Consider Potential Charter Amendments on the March 2024 Ballot to the Positions of Police Chief and City Clerk and Direction to Study Related Charter Amendment Alternatives
- 23-747** Action on a Rezone from PD - Planned Development to MH - Heavy Industrial for the properties located at 700 Mathew Street (CEQA: Categorical Exemption, Class 1 Section 15301 Existing Facilities)
- 23-757** Receive Silicon Valley Power Quarterly Update

COUNCIL RECESS JULY 19 – AUGUST 21, 2023

Tuesday, August 22, 2023 – Joint Council and Authorities Concurrent and Stadium Authority Meeting

Study Session

- 23-786** Study Session on the Zoning Code Update

Special Orders of Business

- 23-828** Recognition of Outgoing Commissioners on the Civil Service Commission, Historical and Landmarks, Parks and Recreation Commission, Planning Commission, and the Senior Advisory Commission
- 23-846** Proclaim August 2023 as American Muslim Appreciation and Awareness Month

Public Hearing/General Business

- 23-492** Adopt a Resolution to Modify Parking Regulations on Lafayette Street related to the Lafayette Street Class IV Bikeway Project
- 23-793** Review and Recommendation on Design Professional Services for the Bowers Park Building and Sarah Fox Mausoleum Roof Rehabilitation Project

- 23-810** Action on an Environmental Impact Report, General Plan Amendment, Rezone, and Tentative Subdivision Map for the Property Located at 906-950 Monroe Street and 1341 Homestead Road (CEQA: An Environmental Impact Report (EIR) was Prepared for the Project)

Tuesday, August 29, 2023 – Council and Authorities Concurrent and Meeting

Study Session

- 23-838** Study Session - Parkland Acquisition and Development Funding Sources, Priorities and Use

Special Order of Business

- 23-277** Proclamation of September 2023 as Community Preparedness Month

Public Hearing/General Business

- 23-1349** Action on the Waiver of the First Reading and Introduction of an Ordinance Approving Rules and Regulations for the Mission City Memorial Park (Cemetery and Authorization of the City Manager to Prudently Manage the Cemetery Operations and Maintenance Including the Endowment Care Fund
- 23-767** Adoption of Resolutions Approving an Installment Sale Financing and Authorizing the Execution, Delivery and Sale of Wastewater Revenue Certificates of Participation in a Principal Amount not to Exceed \$50,000,000 to Finance and Refinance Capital Costs of the San José-Santa Clara Regional Wastewater Facility

Tuesday, September 12, 2023 – Council and Authorities Concurrent and Meeting

Joint Dinner

- 23-743** Joint Dinner Meeting with Senior Advisory Commission

Public Hearing/General Business

- 23-208** Action on the Introduction of a Resolution to Modify the Files Management Manual for the City of Santa Clara

Tuesday, September 19, 2023 – Joint Council and Authorities Concurrent and Stadium Authority Meeting

Public Hearing/General Business - TBD

Tuesday, October 10, 2023 – Council and Authorities Concurrent and Meeting

Public Hearing/General Business - TBD

Tuesday, October 24, 2023 – Joint Council and Authorities Concurrent and Stadium Authority Meeting

Public Hearing/General Business

23-585 Public Hearing to Adopt the Comprehensive Zoning Code Update