



## City Council Agenda Report

**Meeting Date: June 11, 2024**

**Prepared By: Nick Zornes**

**Approved By: Gabe Engeland**

**Subject:** Approve Resolution Authorizing Application to and Participation in the HCD Prohousing Designation Program

---

### **COUNCIL PRIORITY AREA**

- ☐ Business Communities
- ☐ Circulation Safety and Efficiency
- ☐ Environmental Sustainability
- ☒ Housing
- ☐ Neighborhood Safety Infrastructure
- ☒ General Government

### **RECOMMENDATION**

Approve Resolution Authorizing Application to and Participation in the HCD Prohousing Designation Program.

### **FISCAL IMPACT**

Not Applicable.

### **ENVIRONMENTAL REVIEW**

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

### **BACKGROUND**

Increasing the availability of housing statewide is critical to bettering the quality of life of all Californians and to ending homelessness. The 2019-2020 Budget Act provided a spectrum of support, incentives, and accountability measures to meet California's housing goals, and provided for the establishment of the Prohousing Designation Program.

### **DISCUSSION**

On February 27, 2024, the City Council approved the Resolution Authorizing Application to and Participation in the HCD Prohousing Designation Program ("Resolution"). The Prohousing Designation Program Application was submitted on February 29, 2024, to HCD. Staff received comments requesting a 30-day public comment and review period, which was completed on May 13, 2024. One comment was received which did not require any Application modifications. Staff is also working with the Santa Clara Continuum of Care to establish a referral process for unhoused

individuals as required by HCD's Prohousing Designation Program. Additionally, HCD requested minor revisions to the Resolution, which has been revised to incorporate their changes and presented today for Council approval.

The Program creates incentives for Jurisdictions that are compliant with State Housing Element Law and that have enacted Prohousing Policies. These incentives will take the form of additional points or other preference in the scoring of applications for competitive housing and infrastructure programs. The administrators of each such program will determine the value and form of the preference.

Examples of HCD Prohousing Policies:

- 2H: Absence, elimination, or replacement of subjective development and design standards with objective development and design standards that simplify zoning clearance and improve approval certainty and timing.
- 2J: Priority permit processing or reduced plan check times for ADUs/JADUs or multifamily housing.
- 2M: Limitation on the total number of hearings for any project to three or fewer.
- 3A: Waiver or significant reduction of development impact fees for residential development with units affordable to Lower-Income Households.

## **ATTACHMENTS**

### **1. Draft Resolution**