

# Special City Council Work Study on Housing Ad Hoc Committee Recommendations to Amend the Housing Opportunity Ordinance

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JULY 26, 2021



# Recap

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- On July 6<sup>th</sup>, City Council received a report on the progress of the Housing Ad Hoc Committee and discussed the changes to the Housing Opportunity Ordinance recommended by the Committee.
- City Council provided direction to staff to reach out to stakeholders and hold a Work Study session.
- City Council identified over 100 key community stakeholders



# Ad Hoc Committee Recommendations on Key HOO Provisions

	Current Ordinance	Ad Hoc Committee Recommendations
<b>Applicability and Triggers for the Ordinance</b>	Only applies to residential projects with 20 or more units	Adjust applicability threshold from 20 units to 5 units, combined with a sliding scale for payment of in-lieu fee
	Only applies to projects where there is an: <ul style="list-style-type: none"> <li>• Increase in the residential density above the density prescribed by the General Plan or mixed-use development standards</li> <li>• Applies only to incremental units above the permitted density</li> </ul>	Include trigger provisions from the previous ordinance: <ul style="list-style-type: none"> <li>• Include increase in the residential density permitted by the zoning classification</li> <li>• Include all City initiated General Plan Amendments and Zone Changes after November 28, 2011</li> </ul>
<b>Rental Set-Aside Units</b>	Units for Rent: <ul style="list-style-type: none"> <li>• 15% Low Income (51-80% AMI)</li> <li>• 10% Very Low Income (31-50% AMI)</li> </ul>	Add New Category: <ul style="list-style-type: none"> <li>• 5% Extremely Low Income (0-30% AMI)</li> </ul>



# Ad Hoc Committee Recommendations on Key HOO Provisions

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	Current Ordinance	Ad Hoc Committee Recommendations
<b>Option to Satisfy Inclusionary Requirements</b>	Pay In-Lieu Fee of \$5.00 / square foot	<ul style="list-style-type: none"> <li>• Pay In-Lieu Fee of \$15.00 / square foot for projects with 20 or more units</li> <li>• Apply sliding scale for smaller projects based on In-Lieu Fee Schedule below</li> </ul>

In-Lieu Fee Schedule	
# of Units	Fee Per Square Foot of Habitable Area
5 – 9	\$6.00
10 – 14	\$9.00
15 – 19	\$12.00
20 or more units	\$15.00



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	Current Ordinance	Ad Hoc Committee Recommendations
<b>Payment of the In-Lieu Fee</b>	Prior to issuance of building permit	Prior to issuance of the first occupancy approval
<b>Skilled &amp; Trained Workforce</b>	<b>Encourage</b> a project opting for the in lieu payment option or receiving inclusionary housing fund to provide an enforceable commitment to use a skilled & trained workforce in accordance with Public Contract Code Section 2601-2602	Consider making this provision a mandatory commitment
<b>Affordability Period</b>	55 years	In perpetuity



# Ad Hoc Committee Recommendations on Key HOO Provisions

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	<b>Ad Hoc Committee Recommendations</b>
<b>Additional Enhancements to the Ordinance</b>	<p>Add to the current eligible uses of the inclusionary housing fund:</p> <ul style="list-style-type: none"><li>• A priority for the creation of new affordable housing opportunities for large families currently living in the City</li><li>• Programs addressing housing security, eviction prevention, and housing legal assistance for city residents</li></ul>



# Work Study Agenda

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- Staff Presentation
- Key Stakeholder Comments
- Public Comments
- City Council Discussion and Direction to Staff

