



Housing

Actions Related to Amendment of The Inclusionary Housing Ordinance

February 23, 2021
Item 8.2

Jacky Morales-Ferrand
Director
Housing Department

Rachel VanderVeen
Deputy Director
Housing Department

Shasta Greene
Deputy City Attorney

Recommendation

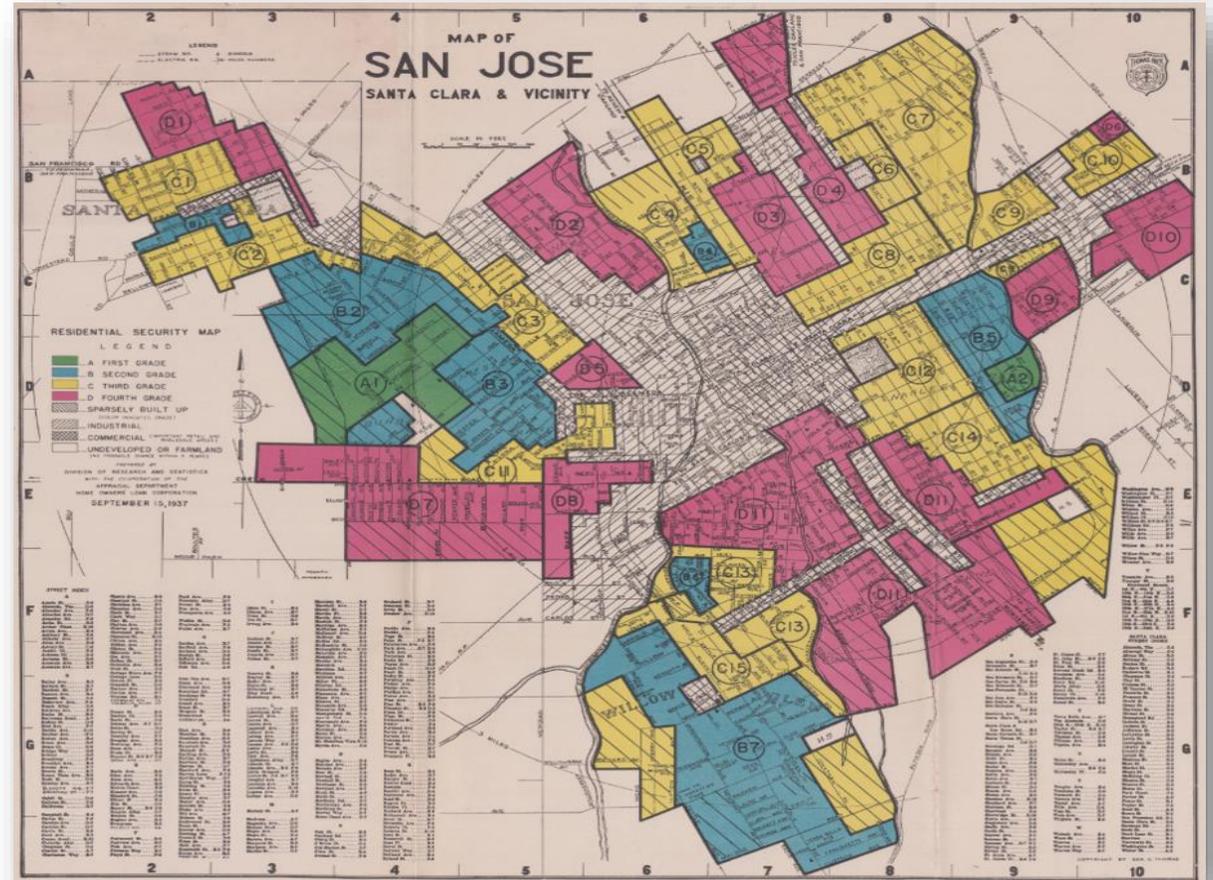
- 🏠 Ordinance
- 🏠 Schedule of Fees Resolution
- 🏠 Geographic Areas Resolution



Purpose

New affordable housing units constructed as part of mixed-income developments to:

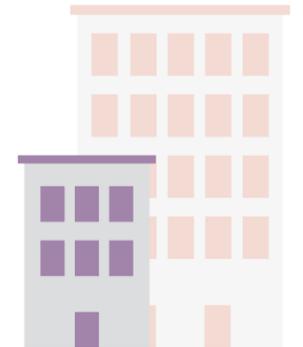
- Obtain benefits that flow from economically diverse communities
- Avoid the problems that have historically been associated with isolated low-income housing



Applicability

Recommendation:

10 units or more and set the in lieu fee at half the rate for projects with less than 20 units that provide at least 90% of the density allowed on-site according to the General Plan



On-Site Targeted Income levels (Rental)

Current On-Site

9% at 80%
AMI

6% at 50%
AMI

Amended On-Site

5% at
100% AMI

5% at
60% AMI

5% at
50% AMI

Additional On-Site Option

10% at 30%
AMI



Off-Site Targeted Income levels (Rental Only)

Current Off-Site

12% at 60% AMI

8% at 50% AMI

Amended Off-Site

5% at 60% AMI

5% at 80% AMI

10% at 50% AMI

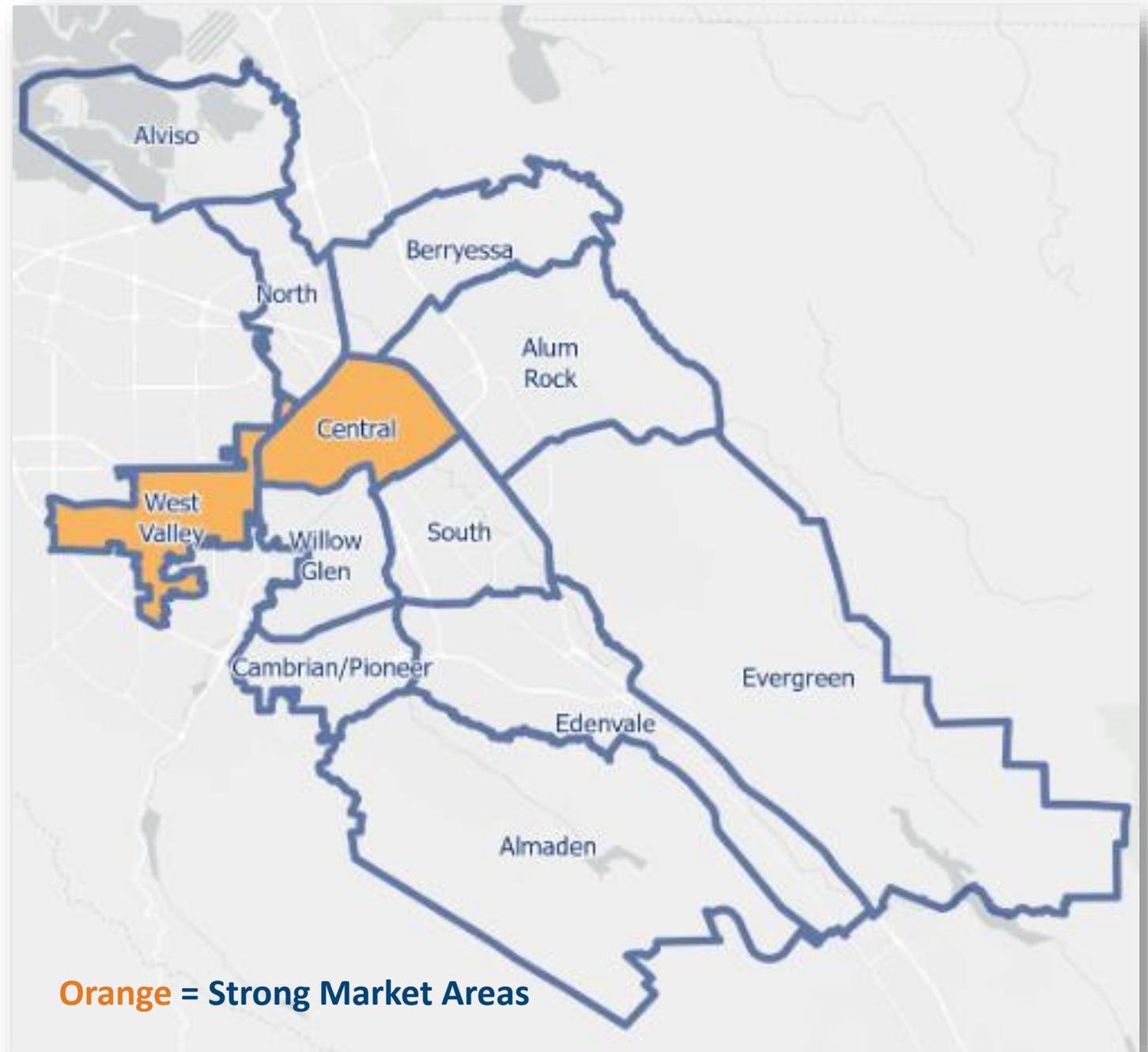


Setting the In Lieu Fees

	11/5/2019	Calculated In Lieu Fee	Recommended In Lieu Fees
Rental: Strong Areas	\$43	\$68	\$43
Rental: Moderate Areas	\$18.26	\$18.70	\$18.70
For-Sale	\$25	\$34	\$25



Geographic Market Areas

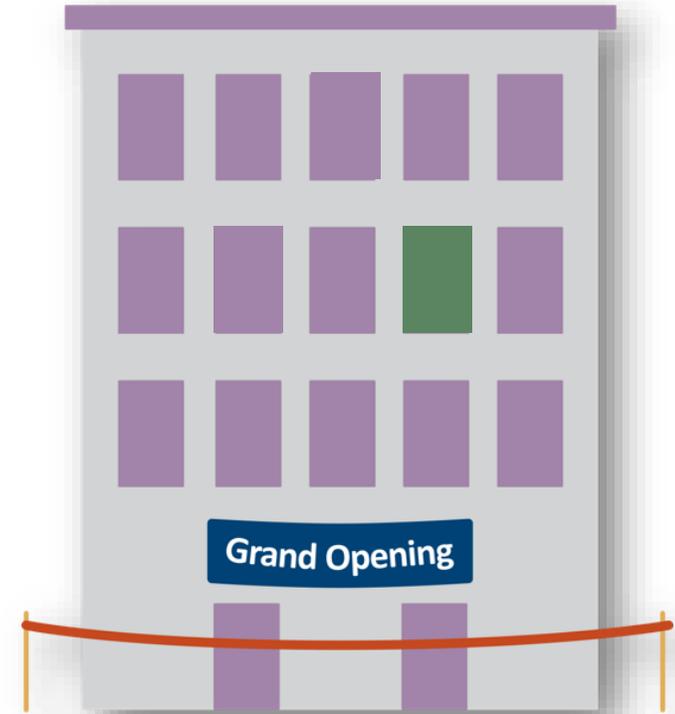


Mixed Compliance Option

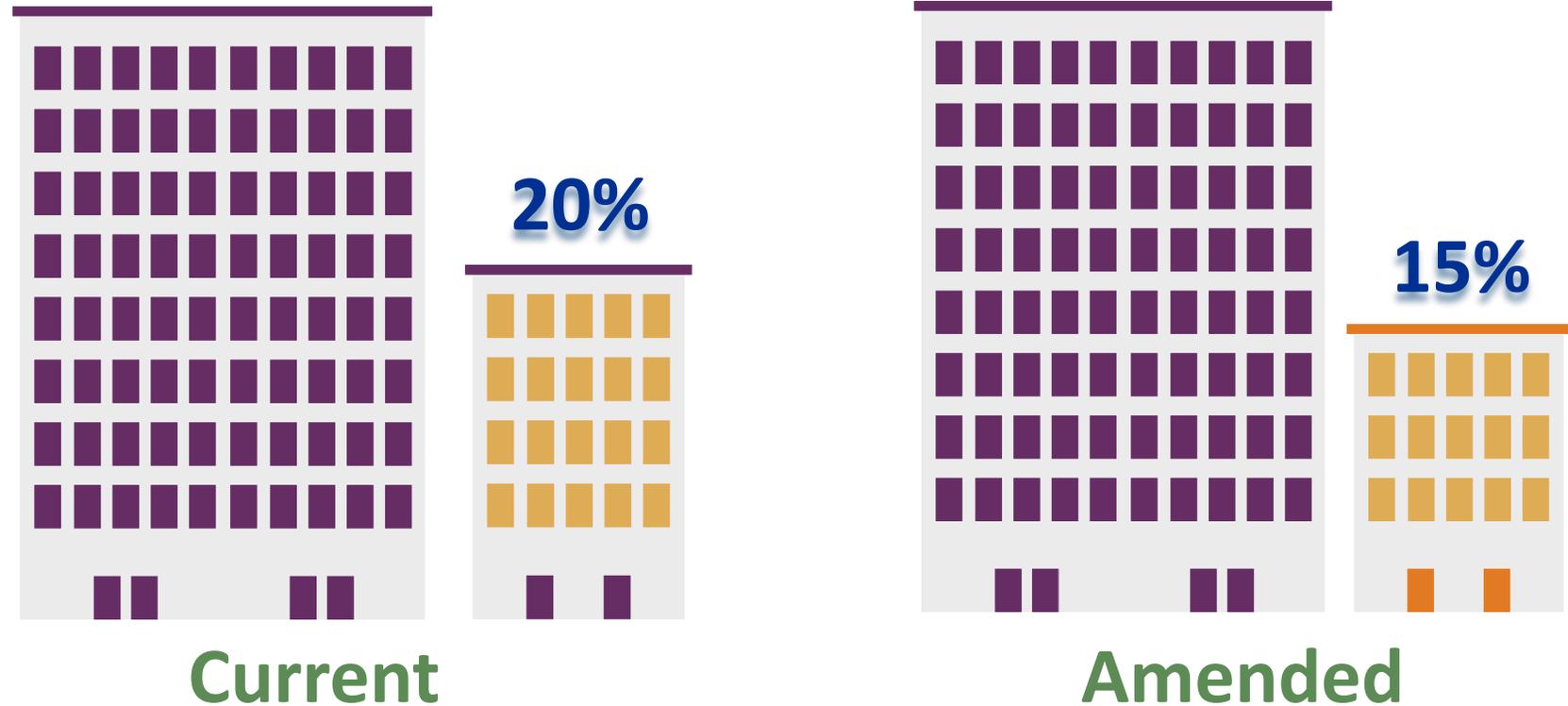
5% Affordable



Reduced In-lieu fee



Allow Affordable to be Clustered On-site



Example of Cluster Community in San José



Example of Cluster Community in San José

LA MORAGA



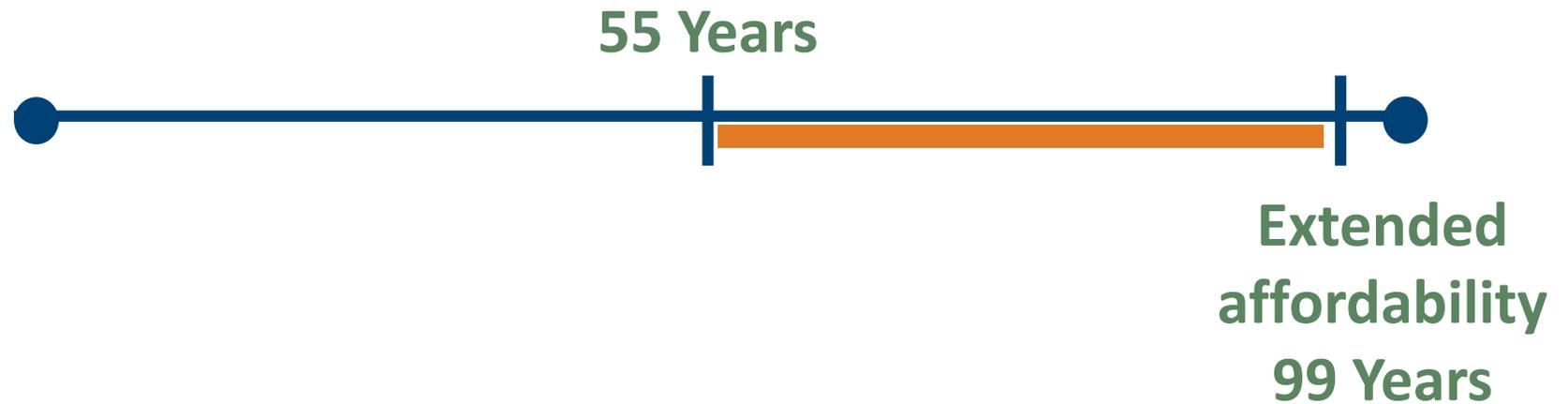
ASCENT



Deed-Restriction Affordability

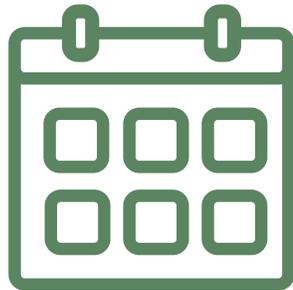
Recommendation:

Extend the period of affordability to 99 years with voluntary demolition after 55 years and relocation benefits for residents of inclusionary units



Operative Date

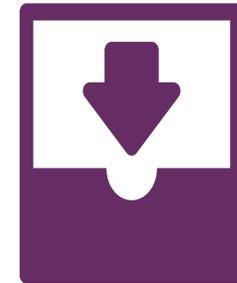
New fees and amendments operative on May 1, 2021, existing projects may choose new regulations



Have planning permits before May 1, 2021



Building permit has not been issued



Submit replacement affordable housing compliance plan & record inclusionary agreement



Next Steps

- 🏠 March 9, 2021: Second Reading
- 🏠 May 1, 2021: Operative Date
- 🏠 May 2021: Suspend the Affordable Housing Impact Fee in the Guidelines



Thank You

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