



originally part of our legislative priority list which is something that's far more reaching, so that is I think a very different policy issue that I think we probably need to discuss because I think it's fair to say we may align differently about how we feel about Costa Hawkins that has fixed the inclusionary housing issue, we can impose inclusionary housing regardless if it's rental or for sale.

Under subsequent questioning by Councilmember Peralez, Housing staff backed up the Mayor's account and asserted that the Costa Hawkins language was originally inserted into the legislative priorities in connection with inclusionary court case.

We're writing this memo because this assertion is not accurate. Costa Hawkins was not inserted into the legislative priorities in connection with inclusionary issue. It was inserted at the recommendation of Councilmembers Peralez and Rocha, through a memo we issued together for the January 12, 2016 City Council meeting. The memo recommended that the Council "direct the City Manager to include Costa-Hawkins reform as a legislative principle for the 2016 legislative season." This memo was approved by the City Council.

The origin of this proposal was not in inclusionary zoning, but in our rent control discussions. Councilmember Peralez had originally proposed including Costa Hawkins reform in our legislative priorities at the September 1, 2015 City Council meeting, under a discussion of the Rent Stabilization Workplan. The primary intent was to ensure the City regained local control over rent stabilization policy.

Given that the stated reason for removing Costa Hawkins from the legislative priorities was not consistent with the facts, we propose that the Rules Committee agendaize a Council item to restore staff's original language on Costa Hawkins. If any of our colleagues do not believe that the City should retain local control over housing policy, we're more than happy to hear their thoughts on this matter when the issue returns to Council. All we ask is that we have an opportunity to ensure that the basis of our decision on this matter is accurate.