

**DRAFT**

ORDINANCE NO.

**AN ORDINANCE OF THE CITY OF SAN JOSE AMENDING CHAPTER 4.80 OF TITLE 4 OF THE SAN JOSE MUNICIPAL CODE TO ADD NEW PARTS RELATED TO THE ESTABLISHMENT OF THE INCLUSIONARY FEE FUND, THE RENTAL STABILIZATION PROGRAM FEE FUND, THE PUBLIC SAFETY AND INFRASTRUCTURE BOND FUND, THE NEIGHBORHOOD SECURITY ACT BOND FUND, THE PARKS AND RECREATION BOND PROJECTS FUND, AND THE BRANCH LIBRARIES BOND PROJECTS FUND**

**WHEREAS**, pursuant to the provisions and requirements of the California Environmental Quality Act of 1970, together with related State CEQA Guidelines and Title 21 of the San José Municipal Code (collectively, "CEQA"), the Director of Planning, Building and Code Enforcement has determined that the provisions of this Ordinance do not constitute a project, under File No. PP17-010 (City Organizational & Administrative Activities resulting in no changes to the physical environment) and File No. PP17-004 (Government funding mechanism or fiscal activity with no commitment to a specific project which may result in a potentially significant physical impact on the environment); and

**WHEREAS**, the City Council of the City of San José is the decision-making body for this Ordinance; and

**WHEREAS**, this Council has reviewed and considered the "not a project" determination under CEQA prior to taking any approval actions on this Ordinance;

**NOW, THEREFORE**, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SAN JOSE:

SECTION 1. A new Part is added to Chapter 4.80 of Title 4 of the San José Municipal Code, to be numbered, entitled and to read as follows:

**Part 64**  
**Inclusionary Fee Fund**

**4.80.4090 Inclusionary Fee Fund Established**

There is hereby created and established the “Inclusionary Fee Fund.” This Fund incorporates two separate sources of funds, including: (a) amounts deposited into the account designated as the City of San José affordable housing fee fund in Chapter 5.08 of Title 5 (the “Inclusionary Housing Ordinance”), and the proceeds derived from those amounts, and (b) amounts collected in connection with the City of San José Policy on Implementation of the Inclusionary Housing Requirement of Health & Safety Code Section 33413(b)(2) (the “Inclusionary Policy”) and the proceeds derived from those amounts, all previously held in the Multi-Source Housing Fund under Part 57 of this Chapter 4.80.

**4.80.4100 Source of Monies**

- A. There shall be deposited in this Fund monies received by the City as allowed or required by the Inclusionary Housing Ordinance, together with moneys which constitute repayments of loans made for the affordable housing purposes consistent with the Inclusionary Housing Ordinance, interest accrued on loans made, and any other interest earned on moneys which may be used for the purpose set forth in the Inclusionary Housing Ordinance; and
- B. There shall be deposited in this Fund monies received by the City as allowed or required by the Inclusionary Housing Policy, together with moneys which

constitute repayments of loans made for the affordable housing purposes consistent with the Inclusionary Housing Policy, interest accrued on loans made, and any other interest earned on moneys which may be used for the purpose set forth in the Inclusionary Housing Policy.

#### **4.80.4110 Expenditures**

Monies in the Inclusionary Fee Fund shall be expended in accordance with the purposes of the applicable sources, the Inclusionary Housing Policy or the Inclusionary Housing Ordinance.

#### **4.80.4120 Interest**

Interest which accrues from monies in Inclusionary Fee Fund shall be credited to this Fund.

**SECTION 2.** A new Part is added to Chapter 4.80 of Title 4 of the San José Municipal Code, to be numbered, entitled and to read as follows:

### **Part 65**

#### **Rental Stabilization Program Fee Fund**

#### **4.80.4130 Rental Stabilization Program Fee Fund Established**

There is hereby created and established the “Rental Stabilization Program Fee Fund.”

#### **4.80.4140 Source of Monies**

There shall be deposited in this Fund monies paid to the City, pursuant to the Apartment Rent Ordinance, the Ellis Act Ordinance, the Tenant Protection Ordinance, and the Mobilehome Rent Ordinance as set forth in Parts 1-9, 11, and 12 of Chapter 17.23, and Chapter 17.22 of Title 17 of this Code, respectively. Within this Fund, a separate account shall be established for monies paid to the City pursuant to the Apartment Rent Ordinance, the Ellis Act Ordinance, the Tenant Protection Ordinance, the Mobilehome Rent Ordinance, and each such account shall bear the name of the applicable ordinance.

#### **4.80.4150 Expenditures**

Monies in each of the accounts established within the Rental Stabilization Program Fee Fund shall be expended in accordance with the provisions of the Apartment Rent Ordinance, the Ellis Act Ordinance, the Tenant Protection Ordinance, and the Mobilehome Rent Ordinance, as applicable. In addition, monies deposited within each of the accounts in this Fund may be used for the direct and administrative costs, and for direct and indirect overhead costs, of the City in performing program administration of the program established by the applicable ordinance, including, but not limited to, calculation and collection of fees authorized by such ordinance.

#### **4.80.4160 Interest**

Interest which accrues from monies in each of the accounts within the Rental Stabilization Program Fee Fund shall be credited to such account.

**SECTION 3.** A new Part is added to Chapter 4.80 of Title 4 of the San José Municipal Code, to be numbered, entitled and to read as follows:

**Part 66**

**Public Safety and Infrastructure Bond Fund**

**4.80.4170 Public Safety and Infrastructure Bond Fund Established**

There is hereby created and established the “Public Safety and Infrastructure Bond Fund.”

**4.80.4180 Source of Monies**

The source of monies budgeted and accounted for in the Public Safety and Infrastructure Bond Fund shall be the proceeds of general obligation bonds issued by the City pursuant to the approval of the voters of the Disaster Preparedness, Public Safety, and Infrastructure Bond at the November 2018 election.

**4.80.4190 Expenditures**

Monies in the Public Safety and Infrastructure Bond Fund shall be used for the purposes set forth in Resolution No. 78739 of the City Council placing the Disaster Preparedness, Public Safety and Infrastructure Bond on the November 2018 election.

**4.80.4200 Interest**

Interest which accrues from monies in the Public Safety and Infrastructure Bond Fund shall be credited to this Fund.

**SECTION 4.** A new Part is added to Chapter 4.80 of Title 4 of the San José Municipal Code, to be numbered, entitled and to read as follows:

**Part 67**  
**Neighborhood Security Act Bond Fund**

**4.80.4210 Neighborhood Security Act Bond Fund Established**

There is hereby created and established the “Neighborhood Security Act Bond Fund.”

**4.80.4220 Source of Monies**

The source of monies budgeted and accounted for in the Neighborhood Security Act Bond Fund shall be the proceeds of general obligation bonds issued by the City pursuant to the approval of the voters of the San José 911, Fire, Police, Paramedic and Neighborhood Security Act Bond at the March 2002 election.

**4.80.4230 Expenditures**

Monies in the Neighborhood Security Act Bond Fund shall be used for the purposes set forth in Resolution No. 70734 of the City Council placing the San José 911, Fire, Police, Paramedic and Neighborhood Security Act Bond on the March 2002 election.

**4.80.4240 Interest**

Interest which accrues from monies in the Neighborhood Security Act Bond Fund shall be credited to this Fund.

**SECTION 5.** A new Part is added to Chapter 4.80 of Title 4 of the San José Municipal Code, to be numbered, entitled and to read as follows:

**Part 68**

**Parks and Recreation Bond Projects Fund**

**4.80.4250 Parks and Recreation Bond Projects Fund Established**

There is hereby created and established the “Parks and Recreation Bond Projects Fund.”

**4.80.4260 Source of Monies**

The source of monies budgeted and accounted for in the Parks and Recreation Bond Projects Fund shall be the proceeds of general obligation bonds issued by the City pursuant to the approval of the voters of the San José Safe Neighborhood Parks and Recreation Bond at the November 2000 election.

**4.80.4270 Expenditures**

Monies in the Parks and Recreation Bond Projects Fund shall be used for the purposes set forth in Resolution No. 69822 of the City Council placing the San José Safe Neighborhood Parks and Recreation Bond on the November 2000 election.

**4.80.4280 Interest**

Interest which accrues from monies in the Parks and Recreation Bond Projects Fund shall be credited to this Fund.

**SECTION 6.** A new Part is added to Chapter 4.80 of Title 4 of the San José Municipal Code, to be numbered, entitled and to read as follows:

**Part 69**

**Branch Libraries Bond Projects Fund**

**4.80.4290 Branch Libraries Bond Projects Fund Established**

There is hereby created and established the “Branch Libraries Bond Projects Fund.”

**4.80.4300 Source of Monies**

The source of monies budgeted and accounted for in the Branch Libraries Bond Projects Fund shall be the proceeds of general obligation bonds issued by the City pursuant to the approval of the voters of the San José Neighborhood Libraries Bond at the November 2000 election.

**4.80.4310 Expenditures**

Monies in the Branch Libraries Bond Projects Fund shall be used for the purposes set forth in Resolution No. 69822 of the City Council placing the San José Neighborhood Libraries Bond on the November 2000 election.

**4.80.4320 Interest**

Interest which accrues from monies in the Branch Libraries Bond Projects Fund shall be credited to this Fund.

**SECTION 7.** The provisions of this Ordinance shall go into effect retroactively on July 1, 2019.



PASSED FOR PUBLICATION of title this \_\_\_\_\_ day of \_\_\_\_\_, 2019, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

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SAM LICCARDO  
Mayor

ATTEST:

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TONI J. TABER, CMC  
City Clerk