

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Tom Fink, Chair Housing
Advisory Commission

SUBJECT: SEE BELOW

DATE: March 22, 2004

COUNCIL DISTRICT: Citywide

**SUBJECT: APPROVAL OF THE EMPLOYMENT LANDS CONVERSION
FRAMEWORK**

RECOMMENDATION

The Housing Advisory Commission voted to recommend to the Mayor and City Council that when considering approval of a framework for evaluating the issues associated with the potential conversion of employment lands to other uses, include consideration for affordable housing development.

BACKGROUND

The Housing Advisory Commission held a special meeting on February 25 to hear a presentation and discussion of the study entitled "Towards The Future: Jobs, Land Use, and Fiscal Issues In San Jose's Key Employment Areas, 2000-2020" (or commonly known as the Fiscal Impact Study). Four Commissioners were present at the meeting: Chair Tom Fink, Vice Chair Linda Moreno, Commissioner George Colacicco and Commissioner Erwin Ordonez.

Stan Ketchum, staff with the Department of Planning, Building and Code Enforcement made a 15-minute presentation to the Commission regarding the scope of the study and potential use of the study when the City is deciding how to free up land for conversion. Mr. Ketchum noted that the study was a reference document and wasn't intended for adoption by the City Council. He stated that instead the document is a helpful resource for future adoption of guidelines for land conversion.

Mr. Ketchum also noted that at a meeting held with the development community on February 13, 2004 the City's Working Group took away many comments, questions, and concerns. Mr. Ketchum stipulated that they City was working to revise their actions based on these outreach meetings and, therefore, the item wouldn't likely go to City Council until late March 2004.

March 22, 2004

Subject: Approval of the Employment Lands Conversion Framework

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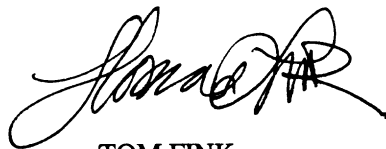
Mr. Ketchum also distributed a copy of a document titled "Employment Land Conversion Framework," which outlines how this study would be used in the future and what questions they would apply in evaluating criteria for future land conversions.

One of the document's pages entitled the "Criteria for Evaluation of Employment Land Conversion - Amendments to the General Plan" concerned the Commissioners. The Commissioners felt that there wasn't inclusion of evaluation criteria for affordable housing and that this aspect was an important feature for the City. They felt that if land were converted over for residential use, it should be maximized for the most impact and require affordable housing.

Chair Fink felt that a percentage of affordable housing should be attached to the criteria for evaluation for conversion of employment land. He recommended that the Commission ask the Mayor and Council to include as a part of the criteria for evaluation language that would ask the questions whether the converted land included at least 20% affordable housing.

Commissioners Colacicco and Ordonez felt that this would be an inclusionary zoning requirement for converted land and suggested that, while the issue was controversial, 10% would be a more standard and adequate percentage. However, they both noted that given the controversy over inclusionary zoning requirements, it would be better to instead add language that didn't tie the City to strict percentages and gave staff flexibility in deciding what was appropriate on a case-by-case basis.

Therefore, Commissioner Ordonez made a motion, which was approved unanimously (4-0), to suggest that the Mayor and City Council consider adding criteria to the Employment Land Conversion Framework which would ask the question: "does the project include minimum levels of affordability in accordance with the City's Housing Element?"



TOM FINK
Housing Advisory Commission, Chair