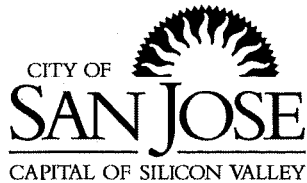


Distributed on:

SENT TO COUNCIL:

JUL 31 2009

by City Manager's Office



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Leslye Krutko

**SUBJECT:** UPDATE ON INCLUSIONARY  
HOUSING ORDINANCE

**DATE:** July 31, 2009

Approved

Date

7-31-09

**COUNCIL DISTRICT:** Citywide

## INFORMATION

### BACKGROUND

On December 9, 2008, the City Council approved a policy framework for a Citywide inclusionary housing requirement. In the eighteen months of study leading up to this City Council meeting, there were thirteen community meetings to which the general public was invited, six meetings of developer stakeholders and affordable housing stakeholders, and thirty one-on-one meetings with developers and other interest groups.

Part of the City Council's direction at that December 9<sup>th</sup> meeting was to return to the Rules and Open Government Committee on January 14, 2009 with a recommended date for release of a draft ordinance consistent with the recommendations, as amended, a recommended date for Council consideration of the ordinance, and a work plan and schedule for additional work items requested by the City Council for review. At that time, the Rules Committee approved staff's proposed timeline and workload which included the following components:

- Community meetings with the general public
- Meetings with stakeholders
- Workload assessment of remaining inclusionary items
- Return to Council with draft ordinance in May 2009

On March 18, 2009, the Housing Department returned to the Rules and Open Government and recommended that the Rules and Open Government Committee accept an extended timeline for the first reading date of the Citywide inclusionary housing ordinance to August 11, 2009 due to the complexity of drafting the ordinance. The Committee approved the extended timeline which included the following:

- Release Draft Inclusionary Ordinance - First week of May 2009

- Public Review and Comment - First two weeks of June 2009
- Housing and Community Development Commission (HCDC) - June 11, 2009
- Revised Ordinance and Memorandum to City Council - July 21, 2009
- First Reading of Inclusionary Ordinance - August 11, 2009
- Second Reading of Inclusionary - August 18, 2009

### ANALYSIS

The Administration, Redevelopment Agency and City Attorney's Office found that it was more complex than anticipated to draft the ordinance. Therefore, staff was not able to meet the May 2009 deadline for publication of the draft ordinance that was thought possible in March. Furthermore, in attempting to put the Council's overall policy direction into ordinance language, some legal and administrative complications were identified. Therefore, the draft ordinance contains language of the policy approved by the Council together with alternative language now being recommended by staff and the City Attorney's Office to address the concerns.

The draft ordinance was completed for public review on July 9<sup>th</sup> and posted on the Housing Department's website. Staff is now prepared to follow through with the outreach plan approved by the Rules Committee in January. The timeline approved by the Rules and Committee has been expanded to ensure sufficient time for review and public comment. The new timeline for the community and stakeholder meetings, including the times and locations, are listed in Attachment A.

It is important to note to all interested parties that the purpose of the community and stakeholders meetings is to discuss the draft ordinance and the framework for how the ordinance will be implemented based on the policy direction provided by the City Council. The meetings will not cover the question of whether the City should have an inclusionary policy, or what the policy should contain.

By expanding the current timeline for the inclusionary housing, the Housing Department will gather greater input from community members and stakeholders. Additionally, the extended timeline responds to concerns that summer vacations may preclude some members of the public from attending the July community and stakeholder meetings.

Should you have any additional questions in this regard, please do not hesitate to call me at 535-3851.



**LESLYE KRUTKO**

Director of Housing

ATTACHMENT A

---

Public meetings:

- Tuesday, July 21<sup>st</sup> – Berryessa Branch Library  
3355 Noble Ave. San José, California 95132  
6:30 PM – 8:30 PM
- Thursday, July 23<sup>rd</sup> – Tully Community Library  
880 Tully Rd. San José, California 95111  
6:30 PM – 8:30 PM
- Tuesday, September 8<sup>th</sup> – Willows Senior Center  
2175 Lincoln Avenue, San Jose, CA 95125  
6:30 PM-8:30 PM
- Tuesday, September 22<sup>nd</sup> – Southside Community Center  
5585 Cottle Road San Jose, CA 95123-2367  
6:30 PM – 8:30 PM
- Wednesday, September 23<sup>rd</sup> –City Hall Public Wing Rooms 118+ 119  
200 E. Santa Clara San Jose, CA 95113  
6:30 PM- 8:30 PM
- Thursday, September 24<sup>th</sup> – Community Meeting West Valley Branch Library  
1243 San Tomas Aquino Rd. San José, CA 95117  
6:30 PM-8:30 PM

Stakeholder meetings:

- Thursday, July 16<sup>th</sup> - Stakeholder Meeting with Affordable Housing Advocates  
City Hall Public Wing Rooms 118+119  
200 East Santa Clara Street San Jose, California  
6:30 PM - 8:30 PM
- Monday, July 20<sup>th</sup> - Stakeholder Meeting with Developers  
City Hall Public Wing Rooms 119 + 120  
200 East Santa Clara Street San Jose, California  
6:30 PM-8:30 PM
- Thursday, September 17<sup>th</sup> – Joint Stakeholder Meeting  
City Hall Public Wing Room 119  
200 E. Santa Clara Street San Jose, CA 95113  
6:30 PM – 8:30 PM

Commission meetings:

- Housing and Community Development Commission
- Thursday, August 13<sup>th</sup>  
San Jose City Hall 200 E. Santa Clara Street  
12<sup>th</sup> Floor Conference Room (T-1254)
- Thursday, October 8<sup>th</sup>  
San Jose City Hall 200 E. Santa Clara Street  
Public Wing Rooms 118+119

City Council Meeting:

- First reading of the ordinance – October 27, 2009.
- Second reading of the ordinance – November 3, 2009.

---

THE MAYOR AND CITY COUNCIL

**RE: FOLLOW-UP ON INCLUSIONARY HOUSING ORDINANCE**

July 31, 2009

## **Notification of Public Meetings on Inclusionary Housing Ordinance**

In December 2008, the San José City Council directed Housing Department staff to return to the Council with a draft citywide inclusionary housing ordinance that incorporated the City Council's policy recommendations. At the public meetings listed below, the Housing Department will present the draft Citywide Inclusionary Ordinance. It is anticipated that the Department will present the final inclusionary housing ordinance as well as feedback and comments from these meetings, to the City Council in late October.

**What is inclusionary housing?** Inclusionary housing requires that all new residential developments have a certain number of homes and apartments available to lower and moderate income individuals and families.

**Date:** September 8, 2009  
**Time:** 6:30 PM-8:30 PM  
**Location:** Willows Senior Center  
2175 Lincoln Avenue, San Jose, CA 95125

**Date:** September 22, 2009  
**Time:** 6:30 PM- 8:30PM  
**Location:** Southside Community Center  
5585 Cottle Road San Jose, CA 95123-2367

**Date:** September 23, 2009  
**Time:** 6:30 PM – 8:30PM  
**Location:** City Hall Public Wing Rooms 118+ 119  
200 E. Santa Clara San Jose, CA 95113

**Date:** September 24, 2009  
**Time:** 6:30 PM- 8:30 PM  
**Location:** West Valley Community Library  
1243 San Tomas Aquino Rd. San José, CA 95117

To learn more about inclusionary housing please visit [www.sjhousing.org](http://www.sjhousing.org).

To request an accommodation or alternative format to participate in these meetings, please call Colleen López at 408.975.4489 or 408.294.9337 (TTY) at least three business days prior to the meeting.

---

Nếu quý vị có bất cứ thắc mắc nào, xin gọi cho Ban Gia Cư Thành Phố San José tại số (408) 535-3860.

Si tiene alguna pregunta, favor de llamar al Departamento de Viviendas de la Ciudad de San José al (408) 535-3860.

如有問題，請致電City of San José Department of Housing，電話(408) 535-3860。

**Notification of Stakeholder Meetings on Inclusionary Housing Ordinance**

In December 2008, the San José City Council directed Housing Department staff to return to the Council with a draft citywide inclusionary housing ordinance that incorporated various policy recommendations. At the stakeholder meetings listed below, the Housing Department will present the draft Citywide Inclusionary Ordinance. It is anticipated that the Department will present the final inclusionary housing ordinance as well as feedback and comments from these meetings to the City Council in late October.

To learn more about inclusionary housing please visit [www.sjhousing.org](http://www.sjhousing.org).

**Stakeholder Meetings** - Participation in these meetings will generally be limited to the invited representatives of stakeholder groups. However, the public is welcome to attend to observe, and at the end of each meeting, there will be allotted time for public comment.

**Joint Stakeholder Meeting with Affordable Housing Advocates and Developers**

Thursday, September 17<sup>th</sup> 6:30- 8:30 pm  
City Hall Public Wing Room 119  
200 East Santa Clara Street San Jose, California

Parking in the City Hall garage (entrance on 6<sup>th</sup> Street) will be validated.

To request an accommodation or alternative format to participate in these meetings, please call Colleen López at 408.975.4489 or 408.294.9337 (TTY) at least three business days prior to the meeting.

---

Nếu quý vị có bất cứ thắc mắc nào, xin gọi cho Ban Gia Cư Thành Phố San José tại số (408) 535-3860.

Si tiene alguna pregunta, favor de llamar al Departamento de Viviendas de la Ciudad de San José al (408) 535-3860.

如有問題，請致電City of San José Department of Housing，電話(408) 535-3860。