

CITY OF
HAYWARD
HEART OF THE BAY

Introduction of Affordable Housing Ordinance and Adoption of Housing Impact Fees

City Council Meeting

January 27, 2015



Background

- Inclusionary Housing Ordinance adopted by City Council in June 2003.
- Interim Relief Ordinance adopted by Council in December 2010 as response to economic downturn
- Initiated new nexus study and analysis in 2014
- Council work session held November 4, 2014 to provide feedback on proposed elements of new Affordable Housing Ordinance



Recommendations

That the City Council adopts an Affordable Housing Ordinance (AHO) that contains the following provisions:

- Permits developers to pay Affordable Housing Fees for market rate ownership housing developments or provide units on site at their option
- Provides that applicable Housing Fees are calculated based on square footage of living spaces
- Based on Study prototypes, sets Housing Fees for ownership housing at \$4.00 per sq. ft. for detached and \$3.24 per sq. ft. for attached housing



Recommendations

AHO Provisions, cont'd:

- Sets Housing Fees at above levels if paid at the time building permits are pulled or those fees plus 10% if paid at time of issuance of certificates of occupancy.
- Removes Inclusionary requirements for rental housing and establishes Housing (impact) Fees equivalent to those for attached ownership housing (\$3.24/sq. ft.)
- If on-site rental housing provided voluntarily by developer, keep 50/50 affordability split between low- and very-low income units



Recommendations

AHO Provisions, cont'd:

- Provides that Housing Fees are adjusted annually
- Allows the use of up to 10% of the Housing Fees for administration of the AHO



Council Requests during Work Session

That the AHO:

- Includes grandfathering provisions:
 - a. Ownership Housing: AHO does not increase or generate new requirements so no grandfathering provision included
 - b. Rental Housing: continue to be exempted if receives all discretionary approvals by December 31, 2015 and all building permits by December 31, 2017
- *AHO does not apply to Development Agreements approved prior to January 1, 2004 (including extensions or modifications) that did not modify requirements.



Council Requests during Work Session

That the AHO:

- Allows the use of Housing Fees for rehabilitation of existing housing for affordable housing

Yes, if the end result is the creation of new affordable units. Therefore, projects must:

- a) Be both acquisition and rehabilitation of existing market-rate housing (acquisition-rehab)
- c) Include long-term affordability covenants
- b) Be a “substantial rehab”



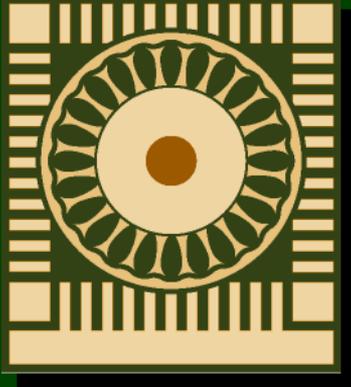
Council Requests during Work Session

That the AHO:

- Allows the use of Housing Fees for temporary or emergency housing

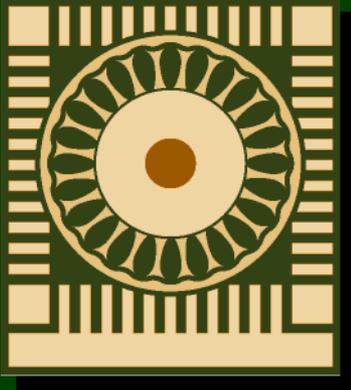
Not recommended at this time; it can't be shown that people using emergency housing are employed in the local-serving businesses and jobs that are created by market-rate housing.





Comments/Questions





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