RESOLUTION NUMBER R-296981 ADOPTED ON AUGUST 6, 2002

A RESOLUTION AUTHORIZING THE SAN DIEGO HOUSING COMMISSION AND CITY OF SAN DIEGO PLANNING DEPARTMENT TO PROCEED WITH THE PREPARATION OF AN INCLUSIONARY HOUSING ORDINANCE AND SUPPORTING IMPLEMENTING DOCUMENTS.

WHEREAS, the City of San Diego is currently experiencing a critical shortage of affordable housing; and

WHEREAS, fewer than 25% of the San Diego's residents are financially able to purchase the median priced home; and

WHEREAS, the National Association of Home Builders recently named San Diego the fifth least-affordable housing market in the nation; and

WHEREAS, the availability of sufficient affordable housing is of utmost importance in sustaining a healthy economy and the quality of life in the City of San Diego; and

WHEREAS, it is necessary for the private sector and the public sector to work together in contributing to and sharing in the responsibility for providing adequate housing opportunities for all segments of the City's residents; and

WHEREAS, inclusionary housing programs have been shown to produce a continuous and consistent supply of affordable housing by harnessing the expertise of the private sector; and

WHEREAS, the San Diego City Council adopted Resolution Number R-293596 on July 31, 2000, which incorporated a provision in the City's Housing Element of its General Plan that states "that a flexible inclusionary housing program on a citywide basis be adopted, with incentives to build affordable units;" and

WHEREAS, an Inclusionary Housing Working Group was formed, representing diverse and varied interests within the City, in order to advise on all aspects of an inclusionary housing program for San Diego; and

WHEREAS, the Land Use and Housing Committee of the City Council considered many alternatives regarding a citywide inclusionary housing program and unanimously recommended that the full City Council proceed toward adoption of an inclusionary housing program for the City; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego that the San Diego Housing Commission and the City of San Diego Planning Department are authorized to proceed in the preparation of an Inclusionary Housing Program for the City of San Diego pursuant to the outline described in CCR02-002, including drafting of necessary ordinances and any additional supporting documents for consideration by the Council at a later date, with the following modifications:

- 1. The inclusionary housing requirements for the North County Future Urbanizing Area will remain at 20%, with the balance of residential development within the City of San Diego to include a 10% inclusionary housing requirement.
- 2. Direct the Office of Legislative Affairs to actively participate in seeking amendments to legislation regarding construction defect litigation.
- 3. Provide mandatory processing deadlines for the project if the developer agrees to build inclusionary housing units.
- 4. Inclusionary housing in-lieu fees shall be specified at the time the application is deemed complete.

- 5. The Inclusionary Housing Program (ordinances and supporting documents) should become effective upon adoption by the City Council rather than upon receipt of the findings by the Affordable Housing Task Force which would delay implementation of inclusionary housing requirements.
- 6. The development of the Inclusionary Housing Program should occur on a separate but parallel track to the work of the Task Force.
- 7. The Inclusionary Housing Ordinance should include an exemption provision for the development of residential units with a minimum of two bedrooms to be occupied by households earning less than 150% area median income.

APPROVED: CASEY GWINN, City Attorney

Bv

Deputy City Attorney

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