ORDINANCE NUMBER O- 19267 (NEW SERIES)

ADOPTED ON MAR 0 8 2004

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO AMENDING CHAPTER 14, ARTICLE 2, DIVISION 13, OF THE SAN DIEGO MUNICIPAL CODE BY AMENDING SECTIONS 142.1303 AND 142.1306, ALL RELATING TO INCLUSIONARY AFFORDABLE HOUSING REGULATIONS.

WHEREAS, the Council of the City of San Diego has declared a State of Housing Emergency due to the lack of housing supply and affordable housing in the City; and

WHEREAS, the City Manager and Council of the City of San Diego established an Affordable Housing Task Force to recommend measures to respond to the shortage of housing supply and affordable housing in the City; and

WHEREAS, the Affordable Housing Task Force recommended specific regulations for condominium conversions to ensure that conversions contribute to the supply of affordable housing in the City; and

WHEREAS, a large number of condominium conversions are occurring in the City of San Diego; and

WHEREAS, condominium conversions are resulting in economic hardship for many existing tenants of low and moderate incomes who are displaced; and

WHEREAS, the City has a critical ongoing need for to maintain a supply of housing affordable to low and moderate income families; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

Section 1. That Chapter 14, Article 2, Division 13, of the San Diego Municipal Code is amended by amending sections 142.1303, 142.1306, 142.1310, to read as follows:

- §142.1303 Exemptions from the Affordable Housing Inclusionary Regulations
 [No change to first sentence.]
 - (a) [No change.]
 - (b) Residential *development* or portion of the *development* that meets the following criteria:
 - (1) through (4) [No change.]
 - (c) Rehabilitation of an existing building that does not result in a net increase of *dwelling units* on the *premises*.
 - (d) Density bonus units constructed in accordance with the provisions of Chapter 14, Article 3, Division 7.

§142.1306 General Inclusionary Affordable Housing Requirements

(a) At least ten percent (10%) of the total dwelling units in the proposed development shall be affordable to targeted rental households or targeted ownership households. For any partial unit calculated, the applicant shall pay a prorated amount of the in lieu fee in accordance with section 142.1310 or provide an additional affordable unit. Condominium conversion units affordable to and sold to households earning less than 150 percent (150%) of the area median income pursuant to an agreement entered into with the San Diego Housing Commission shall not be

included in the *dwelling units* total for purposes of applying the ten percent inclusionary housing requirement.

(b) [No change.]

Section 2. That a full reading of this ordinance is dispensed with prior to its final passage, a written or printed copy having been available to the City Council and the public a day prior to its final passage.

Section 3. That this ordinance shall take effect and be in force on the thirtieth day from and after its passage.

APPROVED: CASEY GWINN, City Attorney

By

Prescilla Dugard

Deputy City Attorney

PD:dm

1/13/04

01/26/04 **COR.COPY**

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Or.Dept:Plan.

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