



Legislation Text

File #: 22-608, **Version:** 1

Adopt a Resolution to Approve and Authorize the City Manager to File the City of San Leandro Affordable Housing Trust Fund Report for FYs 2014-2022

COUNCIL PRIORITY

- Housing and Homelessness
- Fiscal Sustainability and Transparency
- Race and Equity Initiatives

SUMMARY AND RECOMMENDATION

Staff recommends that the City Council review and approve the City of San Leandro's Affordable Housing Trust Fund Report for the Fiscal Years 2014-2015 to 2021-2022 in accordance with the City of San Leandro's Inclusionary Housing Ordinance (Title 6, Chapter 6.04) and California Government Code Section 66006.

BACKGROUND

In December 2004, the City of San Leandro amended the Zoning Code by adopting Chapter 6.04, the Inclusionary Housing Ordinance ("Ordinance <https://library.qcode.us/lib/san_leandro_ca/pub/zoning_code/item/title_6-chapter_6_04-6_04_156>"). The purpose of the Ordinance was to encourage the development and availability of housing affordable to a broad range of households with varying income levels within the City, to increase the supply of affordable housing in proportion to the new jobs created (jobs/housing balance), to offset the demand on housing created by new commercial development and mitigate environmental impacts from exurban commuters and increase the supply of affordable housing as established by the Housing Element of the City's General Plan. The Ordinance contains provisions to collect In-Lieu Fees as an option for those residential developments that contain six or fewer housing units. Those fees are required to be deposited into the Affordable Housing Trust Fund ("AHTF") and expended in accordance with the Ordinance. In 2001 the City also amended the Zoning Code by adopting Chapter 5.32, the Residential Condominium Conversion Ordinance. Permit fees paid to convert apartments to condominiums are also deposited into the AHTF.

Separately, California Government Code Section 66006 (State Law) regulates the fees collected by a local agency, in the case of the City of San Leandro, under the Inclusionary Housing Ordinance. State Law also identifies required content for annual fee revenue reporting. The report includes a brief description of the type of fee that is collected, the amount of the fee, the beginning and ending balance of the account, any interest earned, a summary of any public improvements that were funded with the fee and/or loans made from the fee collected, and the status of activities that has any portion of fees committed.

Analysis

Under both the City's Ordinance and State Law the City Council must review the report and make it available to the public for a 15-day public review period. On October 28, 2022, the City of San Leandro Affordable Housing Trust Fund Report covering FY 2014-2015 through FY 2021-2022 was advertised in the *East Bay Daily Review* as being available for public review. The report includes a statement of income, expenses, disbursements and other uses of the Fund. The report also states the number and type of inclusionary units constructed or assisted during the years of the report and the amount of such assistance if applicable.

As of the end of FY 2021-2022, the Fund's balance was \$258,991.26. The Fund's balance as of June 30, 2014 was \$80,466.76. From FY 2014-2015 to FY 2021-2022, the Fund received a total of \$178,524.50 in revenue from the following categories:

- Housing In-Lieu Fees (\$113,080.48)
- Condominium Conversion Fees (\$43,890)
- Interest Income - General (\$21,102.99)
- Unrealized Gain/Loss On Investment (-\$4,125.29)
- Loan Repayment - Principal (\$4,576.32)

Current Agency Policies

- Inclusionary Housing Ordinance, Title 6, Chapter 6.04, Section 6.04.156(E) Annual Report

Previous Actions

- October 6, 2014 City Council adopted Resolution No. 14-338 Approving the FY 2013-2014 AHTF Annual Report
- December 2004 City Council adopted Title 6, Chapter 6.04 of the Zoning Code, the Inclusionary Housing Ordinance.

Applicable General Plan Policies

The Housing Element contains several policies applicable to the Affordable Housing Trust Fund and Inclusionary Housing Ordinance:

Goal 53: Affordable Housing Development

Policy 53.03: Funding - Actively pursue and leverage private, non-profit, and public funds to facilitate the development of affordable housing in San Leandro. Provide administrative and technical assistance to affordable housing developers and support the applications of these developers for loans, grants, tax credits, and other financing sources that facilitate affordable housing production in the City.

Action 53.03-C: Affordable Housing Trust Fund

Maintain a local affordable housing trust fund that is capitalized with in-lieu fees from the inclusionary zoning program and condo conversion fees. The fund should be used to leverage

affordable housing development in San Leandro.

Policy 53.04 - Inclusionary Housing - Require the inclusion of affordable housing in new housing developments-both inside and outside of redevelopment project areas. Modify ordinances as needed to make these requirements clearer and more effective.

Policy 53.06 New Rental Housing - Strongly encourage the development of additional rental housing in the City, including both market rate units and affordable units. It should be recognized that many market rate rentals meet the affordability criteria for low- and moderate-income households. Expanded production could increase the supply of workforce housing and address the deficit in housing production for households earning between 60 and 120 percent of the area median income.

Summary of Public Outreach Efforts

- On October 28, 2022, a public notice for tonight's meeting was published in the *East Bay Daily Review* and sent to a mailing list of people who have expressed interest in the City Housing Division's activities and also includes CDBG public service providers, homeowners' associations, and community-based organizations.
- The public notice for tonight's meeting was posted along with the Summary Report at the Main Library and each of the other City library branches, as well as at the Senior Center, the Marina Community Center, and at locations in City Hall including the City Clerk's and Manager's offices, and the Community Development Department's Permit Center kiosk.
- The full Summary Report document was posted on the City's website (<https://www.sanleandro.org/292/Housing-Plans>).
- Upon request, a hard copy of the document was available to those without internet access or in a format accessible to persons with disabilities.

Financial Impacts

This Council item is required by both City Ordinance and State Law for informational purposes only, therefore there are no fiscal impacts.

ATTACHMENT

Attachment A: RESOLUTION to Approve and Authorize the City Manager to File the City of San Leandro Affordable Housing Trust Fund Report for FY 2014-2022

- *Ex A1: City of San Leandro's Affordable Housing Trust Fund Report for the Fiscal Years 2014-2015 to 2021-2022*

PREPARED BY: Maryann Sargent, Senior Housing Specialist, Community Development Department

