



**DATE:** November 28, 2017

**TO:** Mayor and City Council

**FROM:** City Clerk

**SUBJECT** Adoption of Ordinance Amending Chapter 10, Article 17 of the Hayward Municipal Code Regarding Affordable Housing Requirements for New Housing Developments

**RECOMMENDATION**

That the Council adopts the Ordinance introduced on November 7, 2017.

**BACKGROUND**

The Ordinance was introduced by Council Member Mendall at the November 7, 2017, meeting of the City Council with the following vote:

<b>AYES:</b>	<b>COUNCIL MEMBERS:</b> Zermeño, Márquez, Mendall, Peixoto, Salinas, Lamnin
	<b>MAYOR:</b> Halliday
<b>NOES:</b>	None
<b>ABSENT:</b>	None
<b>ABSTAIN:</b>	None

The motion included the following five amendments: 1) projects that would qualify for the half in-lieu fee would have had to submit their applications by October 10, 2017, have their applications deemed complete by December 20, 2017, and have applications approved and pull building permits within two years; 2) that the inclusionary deed restrictions (for ownership and rental) be changed to “in perpetuity”; 3) change the inflation adjustor from CPI (Consumer Price Index) to ENR (Engineering News Record) construction cost index; 4) allow for more deeply affordable units by adding the language “or lower” in places that specify the level of affordability as a range; and 5) modify Section 10-17.700 [Development Incentives (b) Modified Development Standards to Increase Density (2)] regarding allowing for decreased number of parking spaces to allow for affordable units near a major transportation route, by incorporating the State definition to allow the ability to have transit access.

The following sections of the Ordinance have been modified to address comments from the City Council and are presented in Attachment III.

- Section 10-17.210 ON-SITE UNITS IN OWNERSHIP RESIDENTIAL PROJECTS (b) and (c)
- Section 10-17.215 ON-SITE UNITS IN RENTAL RESIDENTIAL PROJECTS (b) and (c)
- Section 10-17.520 TERM OF AGREEMENT
- Section 10-17.700 DEVELOPMENT INCENTIVES (b) (2)
- Section 10-17.820 RESALE OF FOR-SALE AFFORDABLE UNITS (a)

### **STRATEGIC INITIATIVES**

This agenda item is a routine operational item and does not relate to one of the Council's Strategic Initiatives.

### **FISCAL IMPACT**

There is no fiscal impact associated with this report.

### **PUBLIC CONTACT**

The summary of the Ordinance was published in the Hayward Daily Review on Friday, November 24, 2017. Adoption at this time is therefore appropriate.

### **NEXT STEPS**

The Hayward Municipal Code and other related documents will be updated accordingly.

*Prepared by:* Miriam Lens, City Clerk

Approved by:



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Kelly McAdoo, City Manager