

CITY COUNCIL MEETING

JANUARY 17, 2023

**DOCUMENTS RECEIVED
AFTER PUBLISHED
AGENDA**

AGENDA

QUESTIONS AND ANSWERS

AGENDA QUESTIONS & ANSWERS

MEETING DATE: January 17, 2022

Item #22 [CONS 23-025](#)

Adopt an Ordinance Amending Chapter 10, Article 17 (Affordable Housing Ordinance) and Article 19 (Density Bonus Ordinance) of the Hayward Municipal Code Related to an Update of the Density Bonus Ordinance

I was reviewing the staff comments connected to the recommendations that were NOT included in the DBO/AH Ordinance (12/6/22 Council meeting PH 22-065, Attachment 5) that are coming before Council for approval tomorrow. Staff's comments re: Displacement speak to SB330's protections for pre-existing residents, and I was curious if the City has collected data on the impact of new development (for both Affordable and Market-rate housing) on surrounding rents and home prices and any related displacement that may occur as a result.

Follow up question: Are these ordinances where in-lieu fees and required AH percentages are decided or will that be a separate item for a future Council meeting? I'm aware that both the DBO and AHO have gone before the Planning Commission recently and am trying to better understand the order of operations/timeline between the ordinance that was presented on 12/6/22, the one being presented tomorrow, and its relationship to presentations given to the Planning Commission over the past two months.

The City has not collected data that specifically looks at the impact of new development on surrounding rents and home prices. The City does have a recent displacement study which was conducted in 2021 by HR&A Advisors. The study showed that drastic increases in rents and home values have outpaced income growth.

The Affordable Housing Ordinance (AHO) sets inclusionary and in-lieu fee requirements; however, tonight's agenda item CONS 23-025 does not impact these requirements. Tonight's item amends the development incentives section of the AHO to increase the number of incentives/concessions for projects that exceed the minimum on-site affordable housing requirements to encourage the development of more affordable units. Concurrently, staff has been working with Strategic Economics to conduct a AHO feasibility assessment. That study analyzes the AHO's inclusionary and in-lieu fee requirements to ensure the AHO optimizes the production of affordable housing. The Planning Commission heard an update on this study progress on December 8, 2022. Council will hold a work session on the study on February 21, 2023.