



**Contra
Costa
County**

To: Board of Supervisors

From: John Kopchik, Director, Conservation & Development Department

Date: September 25, 2018

Subject: Inclusionary Housing Ordinance In-Lieu Fees Referral to Internal Operations Committee

RECOMMENDATION(S):

REFER to the Internal Operations Committee review of the Inclusionary Housing Ordinance In-Lieu of (providing affordable units) Fees.

FISCAL IMPACT:

No fiscal impact. The recommended action is a referral to the Internal Operations Committee.

BACKGROUND:

On October 24, 2006, the County Board of Supervisors adopted an Inclusionary Housing Ordinance (the IHO) that requires the inclusion of affordable housing units as part of a residential development, or the payment of a fee in-lieu of providing the affordable units. The IHO includes formulas for the annual calculation of in-lieu fees for rental and for-sale housing. In 2009, the California Superior Court concluded that the rental housing requirements in inclusionary ordinances were superseded by the vacancy decontrol provisions of the Costa-Hawkins Act (Palmer/Sixth Street Properties, L.P. v City of Los Angeles). In order to comply with the Palmer decision, the County maintained the language in the IHO, but changed the in-lieu fee to \$0 for rental developments. The current in-lieu fee

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **09/25/2018** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I
Supervisor
Candace Andersen, District II
Supervisor
Karen Mitchoff, District IV
Supervisor

ABSENT: Diane Burgis, District III
Supervisor
Federal D. Glover, District V
Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: September 25, 2018

David Twa, County Administrator and Clerk of the Board of Supervisors

By: Stephanie Mello, Deputy

Contact: Kara Douglas
925-674-7880

cc:

for for-sale housing is \$3,874 per market rate unit.

BACKGROUND: (CONT'D)

In 2017, the governor signed into law AB 1505, which affirmed local agencies' authority to apply affordable housing requirements to rental projects, effective January 1, 2018. The Department of Conservation and Development seeks input from the Internal Operations Committee on the reinstatement of the rental in-lieu fee based on the formula in the IHO. The 2018 calculation for the fees is \$24,200.55 for rental housing and \$6,218.91 for for-sale housing.

CONSEQUENCE OF NEGATIVE ACTION:

If there is not a referral to the Internal Operations Committee, Conservation and Development Department staff would bring an agenda item to the full Board of Supervisors without the benefit of a committee discussion.