(O-2022-68)

218/2022 #52

ORDINANCE NUMBER O- 21434 (NEW SERIES)

DATE OF FINAL PASSAGE FEB 2 3 2022

AN ORDINANCE AMENDING CHAPTER 14, ARTICLE 2, DIVISION 13 OF THE SAN DIEGO MUNICIPAL CODE BY AMENDING SECTIONS 142.1302, 142.1305, AND 142.1307, RELATING TO ACCEPTING THE CALIFORNIA COASTAL COMMISSION'S SUGGESTED MODIFICATIONS REQUIRED FOR CERTIFICATION OF THE CITY'S INCLUSIONARY AFFORDABLE HOUSING REGULATIONS.

WHEREAS, on January 14, 2020, the Council of the City of San Diego (Council)

adopted amendments to the Land Development Code to update the City's Inclusionary

Affordable Housing Regulations pursuant to Ordinance O-21167 (Inclusionary Ordinance); and

WHEREAS, the Inclusionary Ordinance contained changes to the Land Development

Code, which serves as the Implementation Plan to the City's certified Local Coastal Program

(LCP); and

WHEREAS, as an amendment to the City's certified LCP, the Inclusionary Ordinance must be certified by the California Coastal Commission (Commission) as consistent with Coastal Act policies prior to being effective in the Coastal Overlay Zone; and

WHEREAS, on August 13, 2021, the Commission considered certification of the Inclusionary Ordinance; and

WHEREAS, the Commission, concerned with promoting balanced communities within the City's Coastal Overlay Zone and protecting lower cost visitor-serving accommodations, approved the Inclusionary Ordinance with modifications relating to the threshold for applying the regulations in the Coastal Overlay Zone, addressing the criteria for siting the required affordable dwelling units off-site from the primary market-rate development, and prohibiting the conversion of guest rooms to dwelling units in the Coastal Overlay Zone; and WHEREAS, the City desires to accept the Commission's modifications; 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 142.1302, 142.1305, and 142.1307 to read as follows:

§142.1302 When Inclusionary Affordable Housing Regulations Apply

This Division applies to all residential *development* of 10 or more *dwelling units* outside of the Coastal Overlay Zone, five or more *dwelling units* within the Coastal Overlay Zone, and to all *condominium conversion development* of two or more *dwelling units*, except as provided in Section 142.1303. The requirements of this Division shall not be cumulative to state or other local affordable housing requirements where those *dwelling units* are subject to an affordability restriction recorded against the property by the state or local agency. To the extent that state or local regulations are inconsistent with the requirements of this Division for the amount of the fee, length of the restriction, or the level of affordability, the more restrictive shall apply.

§142.1305 Methods of Compliance

- (a) The requirement to provide inclusionary *dwelling units* may be met in any of the following ways:
 - (1) through (2) [No change in text.]

(3) On different *premises* from the *development* that does not meet the locational criteria in Section 142.1305(a)(2) but lie within the City of San Diego, if the receiver site is within a *transit priority area* and in an

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area identified as a High or Highest Resource California Tax Credit Allocation Committee (CTCAC) Opportunity Area, and the community planning area has less than five percent of its existing *dwelling units* as covenant-restricted *very low income, low income,* or *moderate income dwelling units*;

(4) [No change in text.]

(5) By rehabilitation of existing *dwelling units* or *SRO hotel rooms*, or by the conversion of *guest rooms* in a *motel* or *hotel* located outside the Coastal Overlay Zone to inclusionary *dwelling units* in accordance with Section 142.1307; or

(6) [No change in text.]

(b) through (c) [No change in text.]

§142.1307 Rehabilitation of Existing Dwelling Units, SRO Hotel Rooms, or Conversion of Guest Rooms

(a) through (c) [No change in text.]

(d) The requirements of this Division may be satisfied by the conversion of existing guest rooms in a motel or hotel located outside of the Coastal Overlay Zone to inclusionary dwelling units affordable to very low income households or low income households at a cost, including an allowance for utilities, that does not exceed 30 percent of 60 percent of median income, if the City Manager determines all of the following:

(1) through (5) [No change in text.]

(e) through (g) [No change in text.]

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Section 2. That a full reading of this Ordinance is dispensed with prior to passage, a written copy having been made available to the Council and the public prior to the day of its passage.

Section 3. That this Ordinance shall not take effect until the date the Commission unconditionally certifies these provisions as a Local Coastal Program amendment, or until the thirtieth day from and after its final passage, whichever occurs later.

APPROVED: MARA W. ELLIOTT, City Attorney

By /s/ Heather M. Ferbert Heather M. Ferbert Chief Deputy City Attorney

HMF:sc 12/16/2021 Or.Dept:Planning Doc. No.: 2840850

I hereby certify that the foregoing Ordinance was passed by the Council of the City of San Diego, at this meeting of ________.

ELIZABETH S. MALAND City Clerk By Deputy City Clerk

Approved:

Vetoed:

(date)

TODD GLORIA, Mayor

STRIKEOUT ORDINANCE

OLD LANGUAGE: Struck Out NEW LANGUAGE: Double Underline

ORDINANCE NUMBER O-_____(NEW SERIES)

DATE OF FINAL PASSAGE

AN ORDINANCE AMENDING CHAPTER 14, ARTICLE 2, DIVISION 13 OF THE SAN DIEGO MUNICIPAL CODE BY AMENDING SECTIONS 142.1302, 142.1305, AND 142.1307, RELATING TO ACCEPTING THE CALIFORNIA COASTAL COMMISSION'S SUGGESTED MODIFICATIONS REQUIRED FOR CERTIFICATION OF THE CITY'S INCLUSIONARY AFFORDABLE HOUSING REGULATIONS.

§142.1302 When Inclusionary Affordable Housing Regulations Apply

This Division applies to all residential *development* of 10 or more *dwelling units* <u>outside of the Coastal Overlay Zone</u>, five or more *dwelling units* within the <u>Coastal Overlay Zone</u>, and to all *condominium conversion development* of two or more *dwelling units*, except as provided in Section 142.1303. The requirements of this Division shall not be cumulative to state or other local affordable housing requirements where those *dwelling units* are subject to an affordability restriction recorded against the property by the state or local agency. To the extent that state or local regulations are inconsistent with the requirements of this Division for the amount of the fee, length of the restriction, or the level of affordability, the more restrictive shall apply.

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§142.1305 Methods of Compliance

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 (a) The requirement to provide inclusionary dwelling units may be met in any of the following ways:

(

(1) through (2) [No change in text.]

(3) On different premises from the development that does not meet the locational criteria in Section 142.1305(a)(2) but <u>lie</u> within the City of San Diego, if the applicant provides five percent more inclusionary dwelling units than required for the development pursuant to Section 142.1304(a) or Section 142.1304(b) receiver site is within a transit priority area and in an area identified as a High or Highest Resource California Tax Credit Allocation Committee (CTCAC) Opportunity Area, and the community planning area has less than five percent of its existing dwelling units as covenant-restricted very low income, low income, or moderate income dwelling units;

(4) [No change in text.]

(5) By rehabilitation of existing *dwelling units* or *SRO hotel rooms*, or <u>by the</u> conversion of *guest rooms* in a *motel* or *hotel* <u>located outside the</u> <u>Coastal Overlay Zone</u> to inclusionary *dwelling units* in accordance with Section 142.1307; or

(6) [No change in text.]

(b) through (c) [No change in text.]

-PAGE 2 OF 3-

§142.1307 Rehabilitation of Existing Dwelling Units, SRO Hotel Rooms, or Conversion of Guest Rooms

(a) through (c) [No change in text.]

(d) The requirements of this Division may be satisfied by the conversion of

existing guest rooms in a motel or hotel located outside of the Coastal Overlay.

Zone to inclusionary dwelling units affordable to very low income households or

low income households at a cost, including an allowance for utilities, that does not

exceed 30 percent of 60 percent of median income, if the City Manager

determines all of the following:

(1) through (5) [No change in text.]

(e) through (g) [No change in text.]

HMF:sc 12/16/2021 Or.Dept: Planning Doc. No.: 2840857

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Councilmembers	Yeas	Nays	Not Present	Recused
Joe LaCava	Г		Π	Π
Jennifer Campbell	Ĩ			Π
Stephen Whitburn	Ž	Π	\square	Π
Monica Montgomery St				П
Marni von Wilpert			\square	Π
Chris Cate		Ā	Π	Π
Raul A. Campillo	$\overline{\Lambda}$	\square	Π	\square
Vivian Moreno	Ā			Π
Sean Elo-Rivera	Ň	Π		\square
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Date of final passage FEI	B 2 3 2022	······································		
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AUTHENTICATED BY:	AUTHENTICATED BY: Mayor of The City of San Die			
(Seal)		ELIZABETH S. MALAND City Clerk of The City of San Diego, California.		
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		By	<u></u>	, Deputy
I HEREBY CERTIFY that t				
days had elapsed between the	e day of its intro	oduction and i		
JAN 2 4 2022	, a	nd on	FEB 2 3 20	<u>J22</u>
I FURTHER CERTIFY that reading was dispensed with by the ordinance was made availa of its passage.	y a vote of five	members of t	the Council, and th	hat a written copy of
			, ELIZABETH S.	
(Seal)		City Cle		San Diego, California.
		ву	//m	, Deputy
			- City Clork San E	Nega California
	Office of the City Clerk, San Diego, California			

Ordinance Number O-

21432