RESOLUTION NUMBER R- 313896

DATE OF FINAL PASSAGE FEB 2 3 2022

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO APPROVING THE EMPLOYEE HOUSING INCENTIVE PROGRAM FEE.

WHEREAS, San Diego Ordinance O-2022-76 related to the Homes For All of Us:
Housing Action Package regulations establishes an incentive program for non-residential
development (Employee Housing Incentive Program), where payment of an Employee Housing
Incentive Program Fee is made to fund the construction of affordable housing units, was
considered by the San Diego City Council (City Council) together with this Resolution; and

WHEREAS, the Employee Housing Incentive Program Fee is an opt-in fee to participate in the Employee Housing Incentive Program in return for development incentives in accordance with San Diego Municipal Code Section 143.0742; and

WHEREAS, the Employee Housing Incentive Program Fee will be used solely to fund the construction of affordable housing; and

WHEREAS, non-residential development is essential for economic growth and job creation; and

WHEREAS, new employees of non-residential development add to the need for affordable housing in the City of San Diego; and

WHEREAS, the Employee Housing Incentive Program provides incentives for non-residential development in exchange for the construction and funding of affordable housing development; and

WHEREAS, the cost of constructing new affordable housing in the City of San Diego is approximately \$475,000 per unit based on the three-year estimates of construction costs of affordable housing by the San Diego Housing Commission; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, as follows:

- 1. That an Employee Housing Incentive Program Fee of \$475,000 per development incentive consistent with San Diego Municipal Code (Municipal Code) section 143.0742 is adopted. The Employee Housing Incentive Program Fee includes up to a 5 percent administrative fee to be imposed in accordance with San Diego Municipal Code Chapter 9, Article 8, Division 5.
- 2. That the Chief Financial Officer is authorized to establish an interest-bearing fund for funds collected with the Employee Housing Incentive Program Fee, to be used solely to fund the construction of affordable housing development.
- 3. That the Chief Financial Officer is authorized to distribute funds from the Affordable Housing Fund in accordance with this Resolution and Chapter 9, Article 8, Division 5 of the San Diego Municipal Code.
- 4. That this Resolution shall be effective on the effective date of San Diego Ordinance O-2022-76 adopting the Homes For All of Us: Housing Action Package, and shall be in effect at the time building permits are issued, in accordance with Chapter 14, Article 3, Division 7 of the Municipal Code, plus automatic annual increases based on the one-year change (from March to March) in the Construction Cost Index (CCI) for Los Angeles as published monthly in the Engineering News-Record. The increases to the fee consistent with the CCI in

Los Angeles shall be automatic and shall not require further action of the City Council. If the one-year change in the CCI in Los Angeles for any given year is less than 0.2 percent, the City Manager or designee may elect to keep the fee unchanged.

APPROVED: MARA W. ELLIOTT, City Attorney

Ву	/s/ Lauren N. Hendrickson	
- J	Lauren N. Hendrickson	
	Deputy City Attorney	

LNH:cm January 11, 2022 Or.Dept: Planning CC No. N/A

Doc. No.: 2855295_2

I certify that the foregoing Resolution w meeting ofFebruary 8, 2022	vas passed by the Council of the City of San Diego, at this
	ELIZABETH S. MALAND City Clerk By Deputy City Clerk
Approved: 2(22(V) (date)	TODD GLORIA, Mayor
Vetoed:(date)	TODD GLORIA, Mayor

Passed by the Council of The C	ity of San Diego	onFE	B 0 8 2022	, by the following vote:				
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Councilmembers	Yeas	Nays	Not Present	Recused				
Joe LaCava	\mathbf{Z}		П	Ц				
Jennifer Campbell	Z							
Stephen Whitburn	\mathbf{Z}	. []						
Monica Montgomery S	teppe 🗾							
Marni von Wilpert		Z						
Chris Cate	N							
Raul A. Campillo	$ ot\!$			П				
Vivian Moreno	N N			П				
Sean Elo-Rivera	otag			Ц				
Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)								
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