

MAY 27 2014

14-0692-51

HOUSING

## MOTION

The City's SB 1818 Density Bonus Ordinance (No. 179681) was enacted into law on April 15, 2008, and since that time, a number of density bonus projects have been built in the City that contain affordable units set aside for lower- and middle-income households. The overarching goal of SB 1818 and the City's Density Bonus Ordinance was to increase the availability of housing for the City's lower- and middle-income residents to ensure access to housing for those who really need it. There are, however, serious concerns that these affordable housing units are not serving their intended population. No publicly available centralized system for renting SB 1818 affordable units is maintained by the City, and there are difficulties faced in monitoring the occupancy of the SB 1818 units that exist in the City.

If our neighborhoods are going to be asked to absorb the additional density, traffic, and development impacts from density bonus projects, the City must ensure that the affordable units being produced are being operated as affordable units, are being maintained at affordable rent or sale levels, and are occupied by residents who truly qualify for the housing.

The Housing + Community Investment Department (HCID) is tasked with monitoring and administering the City's SB 1818 affordable housing stock. In order to ensure that the affordable units contained in SB 1818 density bonus projects are being properly operated, an audit of these units is necessary.

**I THEREFORE MOVE** that the Council instruct the Housing and Community Investment Department, in consultation with the Planning Department as necessary, to prepare a report within 90 days that analyzes and, where appropriate proposes improvements, related to the following:

1. The number of SB 1818 affordable units that have been entitled and built since April 15, 2008, including a breakdown of the units by Council District, a listing of how many units are supposed to be at each affordability level (i.e., very low, lower, moderate, and workforce), and whether all units are operating at the designated affordability level;
2. The number of rent-controlled units that have been demolished and replaced by SB 1818 density bonus projects containing affordable units;
3. The income level of the households who are occupying the SB 1818 affordable units, an explanation of how tenants or purchasers are identified, selected, and qualified for affordable units, whether there is additional information that the City can require from potential tenants to ensure that they are properly income-qualified, and how this process complies with Fair Housing laws;
4. What regulations and policies are in place to govern the situation in which a qualified tenant becomes no longer income-qualified after moving into an SB 1818 affordable unit; and

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5. What regulations and policies are in place to govern the situation in which a qualified purchaser is no longer income-qualified after purchasing an SB 1818 affordable unit, and whether the purchaser of an SB 1818 affordable for-sale unit can rent that unit after purchase, and if so, what rules govern that rental.

PRESENTED BY:



MIKE BONIN  
*Councilmember, 11th District*



MITCH O'FARRELL  
*Councilmember, 13th District*

ORIGINAL

SECONDED BY:



PAUL KREKORIAN  
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