

CITY ATTORNEY DIGEST

ORDINANCE NUMBER O-_____ (NEW SERIES)

DATE OF FINAL PASSAGE _____

EFFECTIVE DATE _____

AN ORDINANCE AMENDING CHAPTER 9, ARTICLE 8, DIVISION 6 OF THE SAN DIEGO MUNICIPAL CODE BY AMENDING SECTIONS 98.0601, 98.0604, 98.0606, 98.0608; BY REPEALING SECTION 98.0609; BY AMENDING SECTIONS 98.0610, 98.0611, 98.0614, 98.0615, 98.0618, 98.0619, AND APPENDIX A, ALL RELATING TO HOUSING IMPACT FEES ON NONRESIDENTIAL DEVELOPMENT IN THE CITY OF SAN DIEGO.

Since 1990, the City of San Diego has collected a housing impact fee from new commercial and industrial development (nonresidential development). The fee is based on the type of nonresidential development and the square footage of that development. The fee is charged for the purpose of providing affordable housing to meet the need for this housing that is created by the employment at the new development.

The current San Diego Municipal Code requires the amount of the fee to be revised based on changes to a specific building cost index. The current San Diego Municipal Code also requires the San Diego Housing Commission to prepare an annual recommendation to the City Council regarding the proposed fee revisions.

This ordinance would phase in an increase of the fees. The increase would begin on July 1, 2014, and on July 1, 2016 would represent approximately 1.5% of the current development costs of nonresidential development. This ordinance would also allow the Housing Commission to annually adjust the housing impact fees beginning in 2017 based on a building cost index without a Council action. This ordinance would establish that the operative date for determining

the rate used to calculate the fee for a project is the date the application for any building permit for the project is deemed complete. It would provide that the fee must be paid prior to the scheduling of a final inspection or issuance of any certificate of occupancy for the project.

This ordinance updates the provision regarding exemptions for fees due in enterprise zones in order to address state legislation that abolishes such zones effective January 1, 2014. This ordinance expands the existing variance provisions that may be heard and granted by the Housing Commission to include requests for reductions and adjustments and adds a provision that allows the City Council to hear and grant requests for waivers.

This ordinance contains a notice that a full reading of this ordinance is dispensed with prior to its final passage, a written or printed copy having been available to the City Council and the public prior to the day of its passage.

This ordinance shall take effect and be in force on the thirtieth day from and after its final passage.

A complete copy of this ordinance is available for inspection in the Office of the City Clerk of the City of San Diego, 2nd Floor, City Administration Building, 202 C Street, San Diego, CA 92101.

KMH:als
11/19/13
Or.Dept:SDHC
Doc. No. 676746