

**Redwood City - Building a Great Community Together**  
**Housing Policy Follow-up to City Council**  
**Matters of Council Interest - October 27, 2008**

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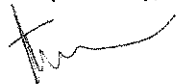
**Purpose:** Establish a process for moving forward with a housing policy/ordinance – to follow-up on the Council / Housing and Human Concerns Committee (HHCC) joint session on 8-25. The HHCC was encouraged to initiate work on the Housing Element of the New General Plan with the Planning Commission. Part of this work was to include consideration of an inclusionary housing policy, including exploration of an interim policy. Staff was directed to come back to Council with several information pieces and recommendations for a process, including a potential “interim inclusionary housing policy”.

**Background:** The most recent public engagement on this issue was a joint study session of the Planning Commission (PC) and HHCC on Sept. 9, 2008. The PC gave clear direction to staff that they may be quite supportive of an inclusionary housing policy, but not of an interim policy. They expressed that there appears to be little risk at this time for missing out on units because of the housing slowdown attributed with the local Downtown Precise Plan lawsuit and the national status of the economy / housing market. They do not want to see a rushed interim policy. They preferred that we carefully draft - then vet - a permanent policy/ordinance for final review through a process including HHCC, PC, and finally Council. Planning and Housing staff think this is excellent direction and that it is very responsive to Council and the HHCC.

**Process:** Staff proposes the following sequence of actions for bringing a policy forward:

1. **Council:** Confirm the process with Council at their meeting of 10-27. This will clarify that Council accepts the PC’s desire for moving forward in a different way than may have been inferred at the close of the 8/25 discussion.
2. **Consultant/Staff:** Hire a consultant to draft a policy/ordinance that staff can recommend: It should be borne from the HHCC’s concepts and carefully incorporate PC and Council comments and direction: It should provide flexibility and it should not hinder housing development.
3. **HHCC / PC:** Tentatively scheduled to conclude Housing Element discussion on 12/2/08. They will be presented with a summary of prior/current policies and how the City has managed with them. Present draft guiding principles for developing housing policy recommendations.
4. **HHCC:** Report the process for developing an inclusionary housing policy to the HHCC as an update.
5. **Developers, Real Estate Professionals, and Housing Advocates:** Conduct outreach and vet the draft. Provide regular updates to Mayor and Vice Mayor.
6. **City Attorney / outside special counsel:** Thorough legal review – throughout the process. Whether the Council ultimately adopts a policy or an ordinance, it will ultimately be viewed as law and entitlement requirements, and thus must be able to withstand rigorous legal challenges. It needs to be prepared in the context of existing laws, policies, and other competing objectives in order to be effective. Thus it needs to be prepared by experts in the field. The need for CEQA review and other issues associated with the logistics of policy review will also be fully confirmed.
7. **HHCC / PC:** Provide one or two updates to PC and HHCC while drafting and outreach is going on.
8. **HHCC:** Request a final recommendation from HHCC on the draft policy.
9. **PC:** Request a final recommendation from PC on the draft policy.
10. **Council:** Return to Council with final draft with PC, HHCC, and staff recommendations (which may be different) after vetting with the development and housing community. This should be concurrent with the New General Plan and Housing Element adoption.

Respectfully,



Peter Ingram  
City Manager