

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDWOOD CITY APPROVING AFFORDABLE HOUSING FUND ALLOCATION GUIDELINES

WHEREAS, housing is a high priority issue for the City of Redwood City and in 2015, the Redwood City Council set three primary goals for affordable housing:

1. Support programs and new policies aimed to ensure housing stability for community members. These efforts focus on renter protections including minimum lease terms and relocation assistance, preventing homelessness and other ways to support housing stability.

2. Create new funding sources, regulations and incentives to produce new affordable housing. These efforts include establishing new funding sources through developer fees to create new affordable housing, and charging fees on short term housing rentals to support affordable housing.

3. Increase the overall supply of housing, particularly the production of affordable housing units. These efforts include requiring affordable housing with new housing developments and other ways to build new units or buying land for new construction, preserving existing affordable housing in the community and encouraging the building of small units like accessory dwelling units/granny units; and

WHEREAS, in December 2015, the City Council adopted the Affordable Housing Impact Fee Ordinance as a mechanism to increase the supply of affordable housing and preserve existing affordable housing pursuant to the City's Housing Element; and

WHEREAS, the requirements of the Affordable Housing Impact Fee Ordinance are to be incorporated into new Zoning Ordinance Article 29 (Requirements for Affordable

Housing) (“Ordinance”); and

WHEREAS, the Ordinance requires that all fees collected be deposited into the City’s Affordable Housing Fund (“Fund”) to be used to increase and preserve the supply of housing affordable for extremely low, very low, low and moderate income households; and

WHEREAS, one of the City’s goals is to maximize the Affordable Housing Fund by creating a permanent and sustainable source of funds for affordable housing development and preservation. Through the Affordable Housing Fund the City can leverage millions of dollars in public and private funding investments to increase and preserve affordable housing in Redwood City; and

WHEREAS, with the help of Home for All and other community partners including the Redwood City Library Foundation, Redwood City 2020, and Casa Circulo Cultural, the City conducted a wide range of community outreach and engagement activities including several community meetings, multiple “pop ups” and a survey with a focus on the Redwood City community and housing. These efforts directly engaged over 800 community members over the course of a few months and a broad range of community input was received. The meetings provided an opportunity for a diverse mix of residents including property owners, developers, nonprofits, community leaders and other members of the community to talk with each other at discussion tables and share perspectives; and

WHEREAS, based on community input on the various ways funds can be used to produce more affordable housing or preserve existing affordable housing that included short term, mid-term and long term efforts, City staff developed an outline of

recommended priorities for the use of the Affordable Housing Funds, the process by which affordable housing projects seeking to use the funds would be reviewed and selected, as well as exceptions to the priorities, as set forth in Exhibit A; and

WHEREAS, on June 12, 2018, the Housing and Human Concerns Committee recommended that the City Council approve the Affordable Housing Fund Allocation Guidelines.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF REDWOOD CITY, AS FOLLOWS:

1. The Affordable Housing Fund Allocation Guidelines, as set forth in Exhibit A, attached hereto and incorporated by reference, are hereby approved. The Housing and Human Concerns Committee is authorized to approve minor revisions to the Guidelines with the recommendation of the Community Development Director.
2. This Resolution shall be effective upon the date of adoption.

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EXHIBIT A

Affordable Housing Allocation Fund Guidelines

Priorities

1. Acquisition of existing multifamily housing for conversion to deed-restricted affordable housing
2. New construction of affordable housing including site acquisition for development of affordable housing
3. Acquisition and rehabilitation of existing multifamily housing for conversion to deed restricted affordable housing
4. Rehabilitation of existing deed-restricted affordable housing
5. Refinance of existing deed-restricted affordable housing to preserve affordability

Process

The City will issue a Notice of Funding Availability (“NOFA”) and Request for Proposals (“RFP”) each December for the Affordable Housing Fund and the Housing and Human Concerns Committee (“HHCC”) will conduct the initial public review of the proposals received through the NOFA/RFP process. The HHCC will determine which proposals most closely meet the City funding priorities, goals and objectives and make their funding recommendations to City Council, after the Planning Commission confirms the proposed projects conceptually conform to the City’s General Plan.

Exceptions

Exceptions to the Guidelines may be considered by the City on a case by case basis to

ensure the City has the flexibility to invest funds in affordable housing when exceptional opportunities arise or when there is an extraordinary circumstance to produce or preserve affordable housing. The City may also consider exceptions to the Priorities to allow the City to allocate funds to projects that provide an exceptional opportunity or greater benefit to the City.