

RESOLUTION NO. 79-2022

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

ADOPTING INCLUSIONARY HOUSING IN-LIEU FEES THROUGH FISCAL YEAR 2022-23

WHEREAS, on November 19, 2019, the City Council adopted Ordinance No. 425, Inclusionary Housing Ordinance ("Ordinance"), adding Chapter 18.37 to the East Palo Alto Municipal Code; and

WHEREAS, the Ordinance requires that 20% of all units in new market-rate residential developments be affordable to 35% AMI income households, very low-income, low-income, median-income and moderate-income households; and

WHEREAS, the Ordinance requires, under specified conditions, the payment of a fee to the City in-lieu of constructing rental or for-sale inclusionary units within a residential development ("In-Lieu Fees"); and

WHEREAS, the Ordinance provides that these In-Lieu Fees shall be established and amended from time-to-time by resolution of the City Council; and

WHEREAS, the Ordinance further provides that In-Lieu Fee payments shall be placed into an affordable housing fund and shall be expended exclusively to provide rental housing affordable to low income households (or below), ownership housing affordable to moderate-income households (or below), and any special needs populations in the City, consistent with the goals and policies contained in the City's Housing Element, and for administration and compliance monitoring of the Inclusionary Housing program, as approved by the City Council; and

WHEREAS, on October 20, 2020, the City Council held a properly noticed public hearing to adopt the In-Lieu Fee methodology as provided in a report commissioned by the City from David Rosen & Associates and set the In-Lieu Fees through Fiscal Year 2021-22; and

WHEREAS, these In-Lieu Fees shall be updated on an annual basis as part of the City's annual budget process, according to the methodology outlined in the Report and in the Guidelines and adopted by City Council resolution.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY adopts the Inclusionary In-Lieu Fees for Ownership/For-Sale and Rental Units commencing July 8, 2022 through the 2022-23 Fiscal Year, as shown in Exhibit A, attached and incorporated by reference.

PASSED AND ADOPTED this 7th day of June 2022, by the following vote:

AYES: Romero, Gauthier, Abrica, Lopez

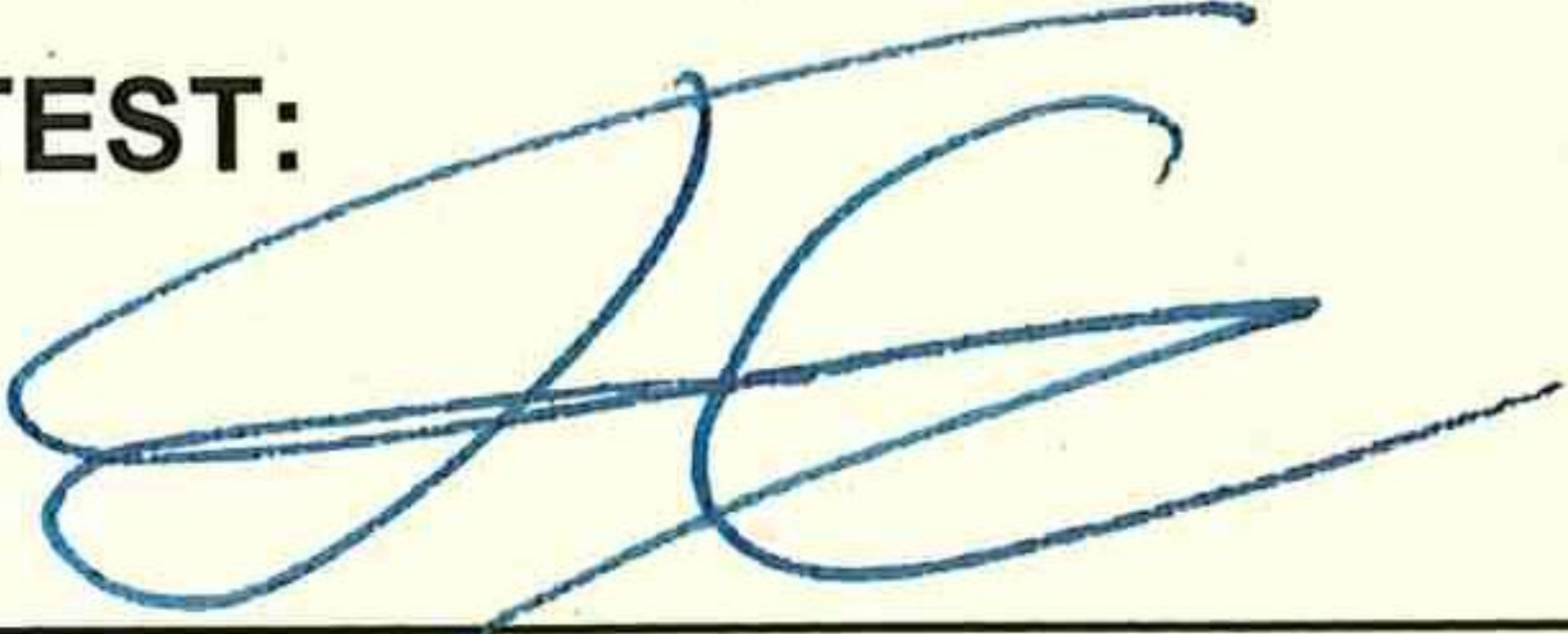
NOES:

ABSENT: Wallace-Jones

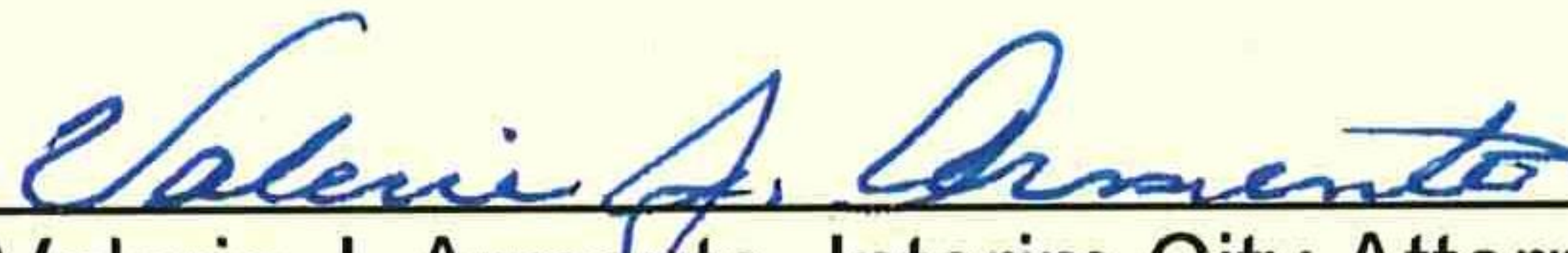
ABSTAIN



Ruben Abrica, Mayor

ATTEST: 

James Colin, Acting City Clerk

APPROVED AS TO FORM:


Valerie J. Armento, Interim City Attorney

Exhibit A

| Inclusionary In-Lieu Fees | |
|---------------------------------------|---------------------------|
| Ownership/For-Sale In-Lieu Fee | \$190,000 per Unit |
| Rental In-Lieu Fee | \$259,000 per Unit |

The Inclusionary In-Lieu Fees shall be updated by resolution by the City Council on an annual basis as part of the City's budgeting process and published on the City of East Palo Alto website.