



2019 OCT 31 PM 2:37
CITY HALL

FRANK H. OGAWA PLAZA • OAKLAND, CALIFORNIA 94612

REBECCA KAPLAN
Council President
atlarge@oaklandnet.com

(510) 238-7008
FAX: (510) 238-6910
TDD: (510) 839-6451

Date: October 31, 2019
To: Members of City Council and Members of the Public
From: Council President Kaplan
Re: File No. 18-2387

Adopt An Ordinance Amending Oakland Municipal Code Chapter 15.72 To Provide An Incentive For Full Early Payment Of The Affordable Housing Impact Fees Equal To A 5% Discount Of The Total Impact Fees Owed And To Add A Provision Enabling Those Who Have Already Paid The First Installment To Also Receive A 5% Discount, And Amending Oakland Municipal Code Chapter 15.62 To Require Additional Information To Be Included In The Annual Impact Fee Report

Dear Colleagues on the City Council and Members of the Public,

RECOMMENDATION

I am asking my colleagues to adopt an ordinance amending Oakland Municipal Code Chapter 15.72 to provide an incentive for full early payment of the affordable housing impact fees equal to a 5% discount of the total impact fees owed and to add a provision enabling those who have already paid the first installment to also receive a 5% discount for early payment of the second installment, and requiring additional information to be included in the annual impact fee report.

LEGISLATIVE SUMMARY

This legislation is to address the need of moving affordable housing development fees into the hands of affordable housing developers as quickly as possible and ensuring transparency to the public on the collection of affordable housing impact fees. Chapter 15.72 of the Oakland Municipal Code establishes the Affordable Housing Impact Fees. Chapter 15.62 of the Oakland Municipal Code establishes the Affordable Housing Trust Fund that receives funds from a multitude of sources including the affordable housing impact fees, redevelopment dissolution funds, fines and penalties, and jobs/housing impact fees.

By making amendments to Chapter 15.72, this legislation incentivizes developers to pay the entire fee at the first installment deadline by receive a 5% reduction in the fee. Right now, there is a lag between affordable and market rate construction since the affordable housing impact fee is paid in two installments, half when a certificate of occupancy is issued. Therefore, affordable housing construction monies are estimated coming in 2-3 years behind market rate construction.

New proposed amendments to Chapter 15.62, will request that the the city administrator must report annual the numbers and amounts of fees waived. The City administration must also include "assessed and anticipated affordable housing impact fee in each "Proposed Policy Budget" book. An annual report shall be presented by the City Administrator to the City Council and shall also

include the following information for each building permit applied for and issued that is covered by this fee:

- The address and assessor's parcel number;
- The applicable impact fee zone;
- The number of residential units;
- The date the permit application was deemed complete;
- The date the permit was issued or is expected to be issued;
- The date a temporary or final certificate of occupancy was issued or is expected to be issued;
- The amount of fee assessed, including the rate and total amount;
- The date and amount of the first installment, or the anticipated date and amount for permits not yet issued;
- The date and amount of any subsequent installment or the anticipated date and amount;
- Whether the project was exempt from payment of the fee and the reason for such exemption; and
- Whether the project provided affordable housing units on site or off site in lieu of payment of the fee, and the number and affordability level of the affordable units.

ANALYSIS

California “does not have enough affordable housing stock to meet the demand of low-income households” and “the state’s 2.2 million extremely and very low-income renter households compete for 664,000 affordable rental homes” as stated in a report by the 2018 League of California Cities’ Homelessness Taskforce.¹ Oakland is suffering from a serious housing crisis as housing costs in the City increased drastically, making housing at all levels of affordability and particularly affordable housing scarce and unavailable for many Oakland residents. According to the *2019 Every One Counts! Homeless Point-in-Time Count* homelessness grew 47% in the City of Oakland in a two-year period (2017-2019)² and in 2019, when the Redwood Hill Townhomes affordable development project in Oakland offered their 28 units to the public, there were 4,000 applicants.³

The City of Oakland Housing Cabinet estimated a need of 4,760 new affordable homes by 2024, and according to the “Oakland At Home Update: A Progress Report on Implementing the Oakland Housing Cabinet’s “17K/17K” Recommendations,” the City had only met 42% of their three year goal and is far from its target for affordable housing construction.⁴ The Housing Cabinet set the

¹League of California Cities. (2018) *Homelessness Task Force Report Tools and Resources for Cities and Counties*. Retrieved from https://www.ca-ilg.org/sites/main/files/htf_homeless_3.8.18.pdf

² Applied Survey Research (2019). *Alameda County Homeless Count & Survey Comprehensive Report*. Retrieved from <http://everyonehome.org/home/continuum-of-care/everyone-counts/>

³ Robertson, Michelle. SF Chronicle (May 22, 2019) *28 Affordable Rentals Just Hit The Market In Oakland. 4,000 People Applied*. Retrieved from <https://www.sfgate.com/bayareahousingcrisis/article/redwood-hill-townhomes-oakland-4k-28-units-schaaf-13874753.php>

⁴ City of Oakland Housing Implementation Cabinet. (March 2019) *Oakland At Home Update: A Progress Report on Implementing the Oakland Housing Cabinet's “17K/17K” Recommendations*. Retrieved from <https://www.oaklandca.gov/news/2019/new-report-shows-city-of-oaklands-strong-progress-on-housing-goals> (broken link)

expectation of new construction to be 28% affordable however only 8% of current new construction is affordable. This legislation and other action from the City Council is needed to ensure that we meet our goals of new affordable housing.

FISCAL IMPACT

Council President Kaplan has been requesting clarification on the break-down of fees assessed and collected since the Budget discussion, since May of 2019. Earlier this year the Council President submitted a rule request to receive an informational report on the Affordable Housing Impact Fees, and in response, the administration agreed to conduct an audit. This legislation would make funds available more rapidly for affordable housing development.

PUBLIC OUTREACH

We have shared this legislation with multiple stakeholders from affordable housing developers to activists to market rate developers. We look forward to a robust discussion in committee and are doing outreach to the community to attend this hearing. We have been meeting with designees from the city administrator's office.

COORDINATION

The City Attorney's office and the City Administration will be consulted in the development of the legislation. We are working closely with community organizations.

SUSTAINABLE OPPORTUNITIES

Economic. Expand affordable housing.

Environmental: Increase transit-oriented development which will reduce traffic.

Social Equity: Reduce homelessness and improve quality of life. Ensure an economically diverse pool of housing stock.

For questions regarding this report, please email Bobbi Lopez, Policy Director for the Council President, at blopez@oaklandca.gov.

Sincerely,



Rebecca Kaplan
Oakland City Council President

Community and Economic Development Committee

November 12, 2019

Item: ____

2019 OCT 31 PM 2:37

APPROVED AS TO FORM AND LEGALITY

DRAFT

CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

ORDINANCE NO. _____ C.M.S.

INTRODUCED BY COUNCIL PRESIDENT KAPLAN

ORDINANCE AMENDING OAKLAND MUNICIPAL CODE CHAPTER 15.72 TO PROVIDE AN INCENTIVE FOR FULL EARLY PAYMENT OF THE AFFORDABLE HOUSING IMPACT FEES EQUAL TO A 5% DISCOUNT OF THE TOTAL IMPACT FEES OWED AND TO ADD A PROVISION ENABLING THOSE WHO HAVE ALREADY PAID THE FIRST INSTALLMENT TO ALSO RECEIVE A 5% DISCOUNT, AND AMENDING OAKLAND MUNICIPAL CODE CHAPTER 15.62 TO REQUIRE ADDITIONAL INFORMATION TO BE INCLUDED IN THE ANNUAL IMPACT FEE REPORT

WHEREAS, California “does not have enough affordable housing stock to meet the demand of low-income households” and “the state’s 2.2 million extremely and very low-income renter households compete for 664,000 affordable rental homes” as stated in a report by the 2018 League of California Cities’ Homelessness Taskforce; and

WHEREAS, Oakland is suffering from a serious housing crisis as housing costs in the City increase drastically, making housing at all levels of affordability and particularly affordable housing scarce and unavailable for many Oakland residents; and

WHEREAS, according to the *2019 Every One Counts! Homeless Point-in-Time Count* homelessness grew 47% in the City of Oakland since 2017; and

WHEREAS, in 2019, when the Redwood Hill Townhomes affordable development project offered their 28 units to the public, there were 4,000 applicants, thereby showing the overwhelming need for new affordable housing construction; and

WHEREAS, the Housing Cabinet of the City of Oakland estimated a need of 4,760 new affordable homes by 2024, and according to the “Oakland At Home Update; A Progress Report on Implementing the Oakland Housing Cabinet’s “17K/17K” Recommendations,” the City had only met 42% of their three year target and is far from its target for affordable housing construction; and

WHEREAS, the Housing Cabinet set the expectation of new construction to be 28% affordable however only 8% of current new construction is affordable while exceeding its targets for market-rate construction; and

WHEREAS, 80% of Oakland residents cannot afford 92% of all new construction;
and

WHEREAS, existing local, state and federal resources are insufficient to meet the City of Oakland's needs for affordable housing; and

WHEREAS, the City of Oakland has a critical need to ensure that impacts from new development on the need for affordable housing are addressed, and development impact fees are a commonly-used mechanism to address this need; and

WHEREAS, Section 106 of the Oakland City Charter provides that the City has the right and power to make and enforce all laws and regulations in respect to municipal affairs;
and

WHEREAS, the Mitigation Fee Act (AB 1600), codified in California Government Code Sections 66000-66025, establishes the legal requirements for a jurisdiction to implement a development impact fee program in conformance with constitutional standards; and

WHEREAS, policies supporting development impact fees for affordable housing, transportation, and capital improvements are included in the recently adopted specific plans, and related General Plan amendments, including the 1998 Land Use and Transportation Element ("LUTE") of the City's General Plan; and

WHEREAS, on May 3, 2016, the City Council adopted Ordinance No. 13365 C.M.S. to add Chapter 15.72 to the Oakland Municipal Code to establish City-wide Affordable Housing Impact Fees; and

WHEREAS, in adopting Ordinance No. 13365 C.M.S., the City Council found that new development of market-rate single-family housing, townhome housing, and multi-family housing supports growth of consumer expenditures by new homebuyer and renter households, which in turn supports job growth and new employment opportunities in Oakland, and many of those new workers would reside in moderate-, low-, or very low-income households and choose to live in Oakland;

WHEREAS, to bridge the gap between the costs of developing new affordable housing and what new moderate- and lower-income households can afford to pay, the City Council found that funding was required to expand the supply of affordable housing;

WHEREAS, the "Oakland Affordable Housing Impact Fee Nexus Analysis" (the "Nexus Study") prepared for the City of Oakland by Vernazza Wolfe Associates, Inc. and Hausrath Economics Group in March 2016, previously provided to the City Council and made available to the public, examined the link between new market-rate residential development the growth of employment associated with the consumer expenditures of new residents, and the demand for affordable housing to accommodate the new worker households in Oakland;

WHEREAS, the Nexus Study documented and confirmed that market-rate housing development in Oakland will result in further induced growth in consumer expenditures and job growth, and that such growth will increase the need for affordable housing in the City;
and

WHEREAS, the Nexus Study established maximum legal affordable housing impact fees per unit based on the level of impacts on the need for affordable housing from various types of market-rate housing development projects based on the average affordability gap per new market-rate unit built; and

WHEREAS, the impact fees adopted under Ordinance No. 13365 C.M.S. are lower than the maximum legal fees documented in the Nexus Study; and

WHEREAS, this Ordinance amends Chapter 15.72 to allow a developer of residential development to receive a five percent (5%) reduction in the Affordable Housing Impact Fee if the developer chooses to pay the Impact Fee in one payment prior to issuance of a building permit, which amendment complies with the requirements of the Mitigation Fee Act since the fee imposed would remain less than the maximum legally justifiable fee as determined in the Nexus Study, and otherwise is consistent with constitutional standards, the terms of the Mitigation Fee Act, the Oakland City Charter, and the City's General Plan, specific plans and other land use plans; and

WHEREAS, many cities and counties have adopted and imposed affordable housing impact fees on new development to address new residential developments' impacts on the need for affordable housing; and

WHEREAS, this Ordinance was considered, after a duly noticed public hearing, at a regular meeting of the City Council on _____;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OAKLAND DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. The recitals contained in this Ordinance are true and correct and are an integral part of the Council's decision, and are hereby adopted as findings.

Section 2. The City Council finds and determines that the adoption of this Ordinance is (1) not a Project under the California Environmental Quality Act ("CEQA") and is therefore exempt pursuant to CEQA Guidelines section 15378(b)(4); (2) statutorily exempt pursuant to CEQA Guidelines section 15273(a)(4) (Rates, Tolls, Fares, and Charges for obtaining funds for capital projects necessary to maintain services within existing service area); (3) statutorily exempt pursuant to CEQA Guidelines section 15267 (Financial Assistance to Low or Moderate Income Housing); (4) not intended to apply to specific affordable housing project and as such it is speculative to evaluate such future projects now and, moreover, such projects will be subject to appropriate environmental review at such time as approvals for those affordable housing projects are considered; and (5) not intended, nor does it, provide future CEQA clearance for future development-related projects by mere payment of the fees. Each of the foregoing provides a separate and independent basis for CEQA compliance and when viewed collectively provides an overall basis for CEQA compliance.

Section 3. This Ordinance may be referred to as the "2019 Amendments to the Affordable Housing Impact Fee Ordinance."

Section 4. Chapter 15.72 of the Oakland Municipal Code is hereby amended to read as follows (additions are indicated in double underlined text and deletions are indicated in ~~strikeout-text~~):

Chapter 15.72

AFFORDABLE HOUSING IMPACT FEES

Article I - General Provisions

- 15.72.010- Purpose.
- 15.72.020- Findings.
- 15.72.030- Definitions.
- 15.72.040- Applicability.

Article II -Fee Requirements and Procedures

- 15.72.050- Amount of Impact Fees.
- 15.72.060- Impact Fee Zones.
- 15.72.070- Payment of Impact Fees.
- 15.72.080- Reductions, Waivers, and Appeals.
- 15.72.090- Enforcement.

Article III- On-Site and Off-Site Affordable Housing Options

- 15.72.100 - On-Site Affordable Housing Option.
- 15.72.110- Off-Site Affordable Housing Option.

Article IV - Miscellaneous

- 15.72.120 - Administrative Regulations.
- 15.72.130- Conflicting Provisions.

Article I - General Provisions

15.72.010 - Purpose.

The purpose of this chapter is to establish affordable housing impact fees in the City of Oakland to assure that market-rate residential development projects pay their fair share to compensate for the increased demand for affordable housing generated by such development projects within the City of Oakland.

15.72.020- Findings.

A. The City of Oakland conducted a nexus study that examined the link between new market-rate residential development, the growth of employment associated with the consumer expenditures of new residents, and the demand for affordable housing to accommodate the new worker households in Oakland. According to the nexus study, new development of market-rate single-family housing, townhome housing, and multi-family housing supports growth of consumer expenditures by new homebuyer and renter households.

B. Growth of household consumer expenditures supports job growth and new employment

opportunities in Oakland.

C. New employment opportunities will attract new workers to Oakland.

D. Many of those new workers will seek housing and choose to live in Oakland.

E. Many of those new worker households will qualify as moderate, low, and very low income households and will increase the demand for affordable housing in Oakland, particularly since the increase in jobs is generally in the lower-wage-paying sectors such as retail trade and services.

F. Expansion of the supply of affordable housing will require funding to bridge the "gap" between the costs of developing new affordable housing and what new moderate- and lower-income households can afford to pay.

G. The nexus study established maximum legal affordable housing impact fees per unit based on the level of impacts on the need for affordable housing from various types of market-rate housing development project based on the average affordability gap per new market-rate unit built. The impact fees imposed under this chapter are lower than the maximum legal fees documented in the nexus study.

H. Through the payment of the fee, developers of market-rate housing will address at least a portion of the impact of their developments on the need for affordable housing. Revenue from the fees will be used to preserve and expand the supply of affordable housing in Oakland.

I. The affordable housing impact fee imposed under this chapter serve the public interest and is necessary to protect the health, safety and welfare of the residents of Oakland.

15.72.030 - Definitions.

As used in this chapter, the following terms have the following meanings, and to the extent a Planning Code and/or Municipal Code Chapter and/or Section is referenced herein, such reference shall also include future amendments, if any:

"Additional Housing Units" means the net increase in the number of housing units on a parcel of real property. Additional Housing Units equal the number of new housing units proposed to be developed on the parcel of real property by issuance of a building permit, less the number of housing units (a) legally removed from the same parcel of real property by authorized remodeling, demolition or relocation to another parcel of real property, or by accidental destruction or natural disaster, during the year preceding the owner's filing for the building permit or (b) authorized to be removed prior to or during the construction for which the building permit is requested.

"Affordable Housing" means housing that is restricted to occupancy at an affordable rent or an affordable housing cost to Moderate-Income Households, Low- Income Households or Very Low-Income Households. The terms "Affordable Rent" and "Affordable Housing Cost" shall be as defined in California Health and Safety Code Sections 50053 and 50052.5 and their implementing regulations.

"Applicant" means any individual, person, firm, partnership, association, joint venture, corporation, limited liability company, entity, combination of entities or authorized representative thereof, who undertakes, proposes or applies to the City for any Development Project.

"Building Official" shall be as defined in Section 15.04.085 of the Oakland Municipal Code.
"City" means the City of Oakland.

"City Administrator" means the City Administrator of the City of Oakland or his or her designee(s).

"Complete Building Permit Application" means an application for a building permit for vertical construction that is submitted after all necessary planning and zoning permits and approvals under Title 17 of the Oakland Planning Code are issued for the project and that contains all the application submittal materials required on the City's submittal checklist.

"Development Project" means any activity resulting in Additional Housing Units in a new or existing building requiring the issuance of a building permit by the City.

"Fee Per Housing Unit" means the Impact Fee per housing unit applicable to the Development Project imposed under this chapter as contained in the City's Master Fee Schedule.

"Impact Fee" means the Affordable Housing Impact Fee imposed under this chapter as set forth in the City's Master Fee Schedule, as the Affordable Housing Impact Fee may be adjusted for inflation pursuant to Section 15.72.050.

"Low-Income Household" shall be as defined in California Health and Safety Code Section 50079.5 and its implementing regulations.

"Moderate-Income Household" means persons and families of low or moderate income as defined in California Health and Safety Code Section 50093 and its implementing regulations.

"Multi-Family Housing" means those uses that fall under any of the following use facility types as defined in Chapters 17.10, 17.65, 17.101 C, 17.101 E and 17.102 of the Oakland Planning Code:

Multifamily Dwelling Residential Facilities, except facilities that meet the definition of Townhome Housing;

Live/Work Residential Facilities (as defined in Chapters 17.65 and 17.101 E);

Work/Live Nonresidential Facilities (as defined in Chapters 17.65 and 17.101E in a D-CE-3 or D-CE-4 Zone);

Micro Living Quarters Facilities (as defined in Chapter 17.101C);

Joint Living and Work Quarters (as defined in Section 17.102.190);

Residentially-Oriented Joint Living and Working Quarters (in Section 17.102.195); or

Rooming House Residential Facilities that are not part of an institutional dormitory and are not associated with any the following Activities:

Residential Care Residential Activities;

Supportive Housing Residential Activities;
Transitional Housing Residential Activities;
Emergency Shelter Residential Activities; or
Semi-Transient Residential Activities.

"Single-Family Housing" means those uses that fall under any of the following use facility types as defined in Chapter 17.10 of the Oakland Planning Code:

One-Family Dwelling Residential Facilities consisting of individual detached housing units;
One-Family Dwelling with Secondary Unit Residential Facilities; or
Mobile Home Residential Facilities.

"Townhome Housing" means those uses that fall under any of the following use facility types as defined in Chapter 17.10 of the Oakland Planning Code:

One-Family Dwelling Residential Facilities consisting of multiple attached housing units;
Two-Family Dwelling Residential Facilities; or
Multifamily Dwelling Residential Facilities consisting of housing units arranged in a single horizontal row with abutting sidewalls.

"Use Fee Category" means Multi-Family Housing, Single-Family Housing or Townhome Housing.

"Very Low-Income Household" shall be as defined in California Health and Safety Code Section 50105 and its implementing regulations.

15.72.040- Applicability.

The regulations, requirements and provisions of this chapter shall apply to any Development Project, unless exempt from this chapter. The Applicant for any Development Project, unless exempt from this chapter, as a condition of the building permit, must pay to the City the required Impact Fees, or the Applicant may elect to comply with those requirements through the provision of on-site or off-site Affordable Housing units as permitted under Sections 15.72.100 and 15.72.110 of this chapter.

A. Effective date. Any Applicant for a Development Project for which a Complete Building Permit Application is submitted on or after September 1, 2016, must pay the Impact Fee in effect at the time of building permit submittal. If the Development Project fails to meet all of the criteria listed in subsection B below, the Applicant must pay the Impact Fee in effect at the time that the Development Project does meet all the criteria.

Notwithstanding the above, this chapter shall also apply to Development Projects whose applications are determined and/or deemed complete on or after November 27, 2015, per the California Subdivision Map Act, Government Code Section 66474.2(b), provided a vested right, as defined by California law, has not been obtained as of 60 days after the adoption of this chapter.

B. Exemptions based on submittal date. Any Development Project for which a Complete Building Permit Application is submitted prior to September 1, 2016, shall be exempt from this chapter if all of the following criteria are met:

1. The building permit is issued within one year of submittal of the Complete Building Permit Application;
2. The Development Project is diligently pursued toward completion, as reasonably determined by the Building Official or designee;
3. The building permit does not expire, although it may be extended for up to one year; and
4. A certificate of occupancy or temporary certificate of occupancy is issued within three years of the building permit being issued.

In addition, Development Projects that obtain a vested right, as defined by California law, no later than 60 days after the adoption of this chapter are not subject to the Impact Fee.

C. Exemptions based on project type. The following types of Development Projects shall be exempt from this chapter if any of the following are met:

1. Secondary Units, as defined in Section 17.04.090 of the Oakland Planning Code; or
2. Affordable Housing projects.

D. Other requirements. Nothing in this chapter shall be construed as waiving, reducing or modifying any other requirements for issuance of any permit, variance, approval or other entitlement by the City under any other law. The Impact Fee and requirements authorized by this chapter are in addition to any other fees or mitigation measures otherwise authorized by law.

Article II -Fee Requirements and Procedures.

15.72.050 -Amount of Impact Fees.

The Impact Fees shall be calculated for each Development Project as follows, pursuant to the Impact Fee amounts as stated in the Master Fee Schedule in effect at the time of a Complete Building Permit Application:

$$\text{Impact Fee} = \text{Fee Per Housing Unit} \times \text{Additional Housing Units}$$

The Impact Fee amount shall automatically be adjusted upward annually for inflation on July 1st beginning on July 1, 2021, by the City Administrator in accordance with the percentage increase from January to January in the residential building cost index published by Marshall and Swift, or if such index ceases to be published, by an equivalent index chosen by the City Administrator, with appropriate adjustments for regional and local construction costs as necessary. The adjustment shall be automatically effective whether or not the Master Fee Schedule has been amended to reflect the adjustment.

15.72.060- Impact Fees Zones.

The Impact Fee amount shall be based upon the Impact Fee Zone in which the Development Project is located as contained within the Master Fee Schedule and as set forth in the maps included in Section 15.72.140 of this chapter.

15.72.070- Payment of Impact Fees.

A. Except as otherwise provided in this section, payment of the Impact Fees shall be due in two installments. The first installment shall be due prior to the issuance of a building permit for all or any portion of the Development Project associated with the building permit, and shall be in the amount of fifty percent (50%) of the Impact Fees. The second installment shall be due prior to the issuance of a temporary certificate of occupancy or certificate of occupancy, whichever occurs first, for all or any portion of the Development Project associated with the building permit, and shall be in the amount of the remaining fifty percent (50%) of the Impact Fee. Beginning (DATE TO BE INSERTED), any Applicant who pays the entire Impact Fee prior to the first installment deadline shall receive a 5% reduction in the total amount of the Impact Fee.

B. Beginning (SAME DATE TO BE INSERTED), an Applicant who made the first installment payment prior to (SAME DATE TO BE INSERTED) but has not yet paid the remaining amount of the Impact Fee may be eligible to receive a 5% reduction in the total amount of the Impact Fee by making an accelerated payment of the remaining Impact Fee. In order to be eligible to receive the reduction, all of the following conditions must be met:

1. The Applicant has made the first installment payment prior to (SAME DATE TO BE INSERTED):
2. The Applicant has not yet paid the second installment payment:
3. The Applicant makes an accelerated payment no later than 60 days after the City mails written notification to the Applicant informing the Applicant of the opportunity to pay the second installment payment early.
4. The Applicant will not receive a temporary certificate of occupancy or certificate of occupancy with 90 days of making the accelerated payment.

If an Applicant who makes an accelerated payment and receives a 5% reduction seeks issuance of a temporary certificate of occupancy or certificate of occupancy within 90 days of making the accelerated payment, or if any of the conditions above are not fully satisfied, the Applicant will be required to remit the 5% reduction before the temporary certificate of occupancy or certificate of occupancy will be issued.

C. Except as provided elsewhere in this chapter, no building permit may be issued for any Development Project subject to this chapter unless and until the first installment of the Impact Fee, or the full amount of the Impact Fee subject to the applicable reduction if eligible, is paid to the Building Official. No temporary certificate of occupancy or certificate of occupancy, whichever occurs first, may be issued for any Development Project subject to this chapter unless the final installment full amount of the Impact Fee, subject to any applicable reduction if eligible, is paid to the Building Official. The Building Official shall deposit the Impact Fee in the Affordable Housing Trust Fund established under Chapter 15.62 of this Code.

D. As an alternative to payment of the Impact Fee set forth in this chapter, an Applicant for a Development Project subject to the Impact Fee may elect to comply with those requirements through the provision of on-site or off-site Affordable Housing units as permitted under Sections 15.72.100 and 15.72.110 of this chapter.

15.72.080- Reductions, Waivers, and Appeals.

A. Reductions, Waivers, and Appeals to the Impact Fees. Reduction, waiver, and/or appeals of the Impact Fees may be granted by the City Administrator to a Development Project under any one of the following scenarios:

1. The Development Project is rendered infeasible by imposition of all or a portion of the Impact Fee because there are demonstrated special circumstances unique to the financing or economics of the Development Project and not generally applicable to other projects of similar type and size, and no feasible alternative means of compliance are available which would be more effective in attaining the purposes of this chapter than the relief requested. For purposes of this paragraph, "infeasible" means incapable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social and technological factors;
2. The Development Project will not generate any need for affordable housing, or the increase in such need will be limited so as to justify a reduced Impact Fee;
3. The Development Project is subject to a higher Impact Fee than what would otherwise apply under normal circumstances solely and exclusively due to unusual delays, beyond the reasonable control of the Applicant, related to an appeal, litigation and/or other similar circumstances;
4. The requirements of this chapter have been incorrectly applied to a Development Project; and/or
5. That application of the requirements of this chapter to a Development Project is unlawful under and/or conflict with federal, state, or local law and/or regulation, including constituting an unlawful taking of property without just compensation.

B. Applications for reductions, waivers, and/or appeals. Application for reduction, waivers and/or appeals of the Impact Fee must be made no later than the date of application for the building permit for the Development Project on a form provided by the City, and shall include payment of fees as established in the Master Fee Schedule. The burden of establishing by satisfactory factual proof the applicability and elements of this Section shall

be on the Applicant. The Applicant must submit full information in support of their submittal as requested by the City Administrator. Failure to raise each and every issue that is contested in the application and provide appropriate supporting evidence will be grounds to deny the application and will also preclude the Applicant from raising such issues in court. Failure to submit such an application shall preclude such person from challenging the Impact Fees in court. The City Administrator may require, at the expense of the Applicant, review of the submitted materials by a third party.

C. The City Administrator shall mail the Applicant a final, written determination on the application for a reduction, waiver, and/or appeal. The City Administrator's decision is final and not administratively appealable.

15.72.090- Enforcement.

A. Failure to comply with any of the provisions of this chapter is declared to be prima facie evidence of an existing major violation and shall be abated by the City Administrator in accordance with the provisions of this chapter. Any person in violation will be subject to civil penalties, civil action and/or other legal remedies.

- B. If the Applicant fails to comply with any provisions of this chapter including failure to timely pay the Impact Fee, the City may take any of the following actions:
1. Withhold issuance of the building-related permits;
 2. Record a Special Assessment or other lien or liens against the real property which is the subject of the Development Project for the amount of the Impact Fee;
 3. Revoke or suspend the temporary certificate of occupancy and/or certificate of occupancy for the Development Project;
 4. Take any other action necessary and appropriate to secure payment, with interest accruing from the date of nonpayment; and/or
 5. Assess civil penalties against an Applicant and/or associated parcel owner who fails to comply with this chapter, including failure to pay the impact fees, pursuant to Chapter 1.08 of this Code.

Violations of this chapter are considered to be "Major" pursuant to Section 1.08.040D of this Code. The daily civil penalties described in subsection (5) above shall continue until the violations are cured, including payment of the Impact Fee with accrued interest. Civil penalties established in this chapter are in addition to any other administrative or legal remedy which may be pursued by the City to address violations identified in this chapter.

In the event all Affordable Housing units required under the certification described in Sections 15.72.100 and 15.72.110 are not timely produced as required by this chapter, the City Administrator may impose a charge on the Applicant equal to one hundred fifty percent (150%) of the Impact Fee which would have been otherwise due and owing, together with interest accrued from the date of the first building permit issuance for the Development Project, and shall so notify the Applicant. If this charge is not paid by the Applicant within sixty (60) calendar days of the expiration of the applicable time period, the City may record a special assessment lien against the Development Project property in the amount of any charge and interest owed, and the City may revoke or suspend the certificate of occupancy for the Development Project use.

Article III - On-Site and Off-Site Affordable Housing Options.

15.72.100- On-Site Affordable Housing Option.

A. On-site affordable housing mitigation measure. An Applicant for a Development Project that is otherwise subject to the Impact Fee will not be subject to the Impact Fee if the Applicant will be providing Affordable Housing units within the Development Project as set forth below.

1. In all such cases the Applicant shall execute a written agreement with the City setting forth the number, type, location, approximate size and construction schedule of all such Affordable Housing units, restricting the occupancy and rent or sale price of such units, and setting forth other terms and conditions as required for ensuring compliance with this Section. Rental units shall remain affordable for 55 years or for the life of the Development Project, whichever is greater. Said agreement shall be recorded against the Affordable Housing units as covenants running with land, senior in priority to any private liens or encumbrances except as provided below, and shall be enforceable by the City against the Applicant or the Applicant's successors-in-interest to the property for the full affordability term. Additional

restrictions, deeds of trust, rights of first refusal, or other instruments may be required by the City Administrator as reasonably needed to enforce these restrictions. The City Administrator shall have the authority to subordinate such restrictions to other liens and encumbrances if he or she determines that the financing of the Affordable Housing units would be infeasible without said subordination.

2. Proposals for the provision of on-site Affordable Housing units as homeownership housing must comply with the City of Oakland Affordable Homeownership Development Program Guidelines. The Applicant shall agree to, and the City shall ensure that, the initial occupant of all for-sale units are Very Low-, Low-, or Moderate-Income Households, as required, and that the units are offered at an Affordable Housing Cost.

3. All Affordable Housing units must be reasonably dispersed throughout the Development Project, be of the same size, and contain, on average, the same number of bedrooms as the market-rate units in the Development Project. All Affordable Housing units must be comparable with the design or use of market-rate units in terms of appearance, amenities, materials and finish quality.

4. All Affordable Housing units may be occupied only by Very Low-, Low-, or Moderate-Income Households as applicable. For rental units, the owner of any units produced under this option must report to the City annually on the occupancy and rents charged for the Affordable Housing units.

5. All Affordable Housing units in a Development Project and phases of a Development Project must be constructed concurrently with or prior to the construction of the market-rate units, unless the City Administrator determines that extenuating circumstances exist.

B. Number of Affordable Housing units required for on-site mitigation. For applications for Development Projects that include Affordable Housing units, the total number of required Affordable Housing units for such Development Project that will be needed to exempt the Development Project from the Impact Fee shall be one of the following:

Number of Moderate Income Units= Total Number of Housing Units x 10%; or

Number of Low Income Units= Total Number of Housing Units x 10%; or

Number of Very Low Income Units= Total Number of Housing Units x 5%.

"Total Number of Housing Units" means the total number of units proposed for the Development Project, including the Affordable Housing units, but not including units added by a density bonus awarded pursuant to this Section or any Section within Chapter 17.1 07 of the Oakland Planning Code or Government Code Sections 65915-65918.

1. An Applicant for a Development Project subject to this Section may provide less than the percentage of market rate units indicated above as Affordable Housing units and pay a proportionately reduced Impact Fee.

2. In the event the application of this section to an applicable Development Project creates an obligation to construct a fractional Affordable Housing unit, that fraction

shall be either converted into a fractional Impact Fee, or shall require an additional Affordable Housing unit, to be determined at the discretion of the City Administrator.

3. Along with production of the Affordable Housing units, the Applicant may take advantage of the Chapter 17.107 Density Bonus and Incentive Procedure in the Oakland Planning Code as well as the State density program in Government Code Sections 65915-65918.

4. For those projects providing Moderate-Income rental units the Applicant may take advantage of the following provisions in Chapter 17.1 07 of the Oakland Planning Code that otherwise apply to Moderate-Income for sale units: Section 17.107.040, Table 17.107.03, Section 17.107.080, Section 17.107.090 and Table 17.107.05; all other requirements in Chapter 17.107 still apply.

15.72.110- Off-Site Affordable Housing Option.

An Applicant for a Development Project that is otherwise subject to the Impact Fee will not be subject the Impact Fee if the Applicant is providing Affordable Housing units in the numbers set forth in Section 15.72.1 OO.B at a site other than the location of the Development Project; provided that such off-site option is subject to the conditions and restrictions set forth below.

1. City Council approval. Any proposal by an Applicant to provide off-site development of Affordable Housing units requires approval of the City Council. The off-site Affordable Housing must be located within one-half (1/2) mile of the Development Project, unless an exception is approved by the City Council.

2. Timing of Affordable Housing. In the event that an Applicant chooses the off-site option, the Applicant must submit satisfactory evidence to the City Administrator of site control and issuance of all necessary planning and zoning permits and approvals under Title 17 of the Oakland Planning Code for the project intended to produce the Affordable Housing units, prior to issuance of the building permit for the Development Project. The Applicant must obtain a building permit for the Affordable Housing project prior to the issuance of the temporary certificate of occupancy or the certificate of occupancy, whichever occurs first, for the Development Project. The Applicant must secure a certificate of occupancy for all Affordable Housing units no later than eighteen (18) months from the issuance of the temporary certificate of occupancy or the certificate of occupancy, whichever occurs first, for the Development Project.

Article IV - Miscellaneous.

15.72.112- Administrative Regulations.

The City Administrator is hereby authorized to adopt rules and regulations consistent with this chapter as needed to implement this chapter, subject to the review and approval of the Office of the City Attorney, and to develop all related forms and/or other materials and take other steps as needed to implement this chapter, and make such interpretations of this chapter as he or she may consider necessary to achieve the purposes of this chapter.

15.72.130- Conflicting Provisions.

Where a conflict exists between the requirements in this chapter and applicable requirements contained in other chapters of this Code, the applicable requirements of this chapter shall prevail.

15.72.140- Impact Fees Zone Maps.

Section 5. Chapter 15.62 of the Oakland Municipal Code is hereby amended to read as follows (additions are indicated in double underlined text and deletions are indicated in ~~strikeout~~ text):

Chapter 15.62

AFFORDABLE HOUSING TRUST FUND

15.62.010 - Establishment and purpose.

15.62.020 - Definitions.

15.62.030 - Funding sources.

15.62.040 - Use of funds.

15.62.050 - Administration of funds

15.62.010 - Establishment and purpose.

The City Administrator shall establish an Affordable Housing Trust Fund to provide assistance in developing and maintaining affordable housing in the City.

15.62.020 - Definitions.

As used in this Chapter, the following terms have the following meanings:

"Affordable housing" means housing that is provided at an affordable rent or an affordable housing cost to lower income households or very low income households, except as provided for below. The terms "affordable rent" and "affordable housing cost" shall be as defined in California Health and Safety Code Sections 50053 and 50052.5 and their implementing regulations. Such housing shall have terms of affordability equivalent to those prescribed in California Health and Safety Code Sections 33334.3(f)(1)(A) for rental housing and 33334.3(f)(1)(B) for owner occupied housing. Notwithstanding the above, for funds deposited into the Affordable Housing Trust Fund from the affordable housing impact fees, "affordable housing" means housing that is provided at an affordable rent or an affordable housing cost to moderate income households, lower income households or very low income households. Notwithstanding the above, for funds deposited into the Affordable Housing Trust Fund from the set-aside of funds distributed to the City as a taxing entity under the Dissolution Laws, "affordable housing" may also include ownership housing that is provided at an affordable housing cost to households with annual incomes at or below 120 percent of area median income for the Oakland area, adjusted for household size, or owner occupied housing that is being purchased with mortgage assistance by first-time homebuyers with annual household incomes at or below 120 percent of area median income for the Oakland area, adjusted for household size; and the use of such funds for development assistance or mortgage assistance to such housing shall be eligible uses under Section 15.68.100.

"City Administrator" means the City Administrator of the City of Oakland or his or her designees.

"Dissolution Laws" mean Parts 1.8 and 1.85 of Division 24 of the California Health and Safety Code, commencing with Section 34170 and other statutes governing the dissolution of redevelopment agencies and the wind-down of redevelopment activities.

"Lower income household" shall be as defined in California Health and Safety Code Section 50079.5 and its implementing regulations.

"Moderate income household" means persons and families of low or moderate income as defined in California Health and Safety Code Section 50093 and its implementing regulations.

"Substantial rehabilitation" means a project to repair or rehabilitate an existing building in which the cost of repairs or rehabilitation exceed twenty-five percent (25%) of the building's after-rehabilitation value.

"Very low income household" shall be as defined in California Health and Safety Code Section 50105 and its implementing regulations.

15.62.030 - Funding sources.

The Affordable Housing Trust Fund shall receive funding from the sources set forth below. The Affordable Housing Trust Fund may also receive funds from any other source.

A. Jobs/Housing Impact Fees. The Affordable Housing Trust Fund shall receive all monies from jobs/housing impact fees contributed pursuant to Sections 15.68.050 and 15.68.060 of this Code.

B. Redevelopment Dissolution Funds. An amount equal to twenty-five percent (25%) of all funds distributed to the City as a taxing entity under the Dissolution Laws, including both one time and ongoing distributions, net of the amount of distributed funds that is deposited with the KIDS First! Oakland Fund for Children and Youth under Section 1300 of the Charter, shall be deposited into the Affordable Housing Trust Fund. The funds subject to this setaside shall include, without limitation, distributions of property tax from the Redevelopment Property Tax Trust Fund ("RPTTF"), distributions of sales proceeds and other revenues from the use or disposition of assets of the Oakland Redevelopment Successor Agency ("ORSA"), compensation paid to taxing entities by ORSA, and distributions of available cash assets of ORSA to taxing entities. This policy shall apply to distributions from the RPTTF under California Health and Safety Code Section 34183 starting in Fiscal Year 2015-2016, and shall apply to all other distributions received starting in Fiscal Year 2013-2014. As to distributions from the RPTTF, from Fiscal Year 2015-16 through Fiscal Year 2024-2025, this policy shall apply only to distributions to the City as a taxing entity of RPTTF funds under Subsection (a)(4) of California Health and Safety Code Section 34183, which are residual amounts distributed to the City after all other RPTTF allocations are made, and shall not apply to distributions of RPTTF funds to the City under Subsection (a)(1) of California Health and Safety Code Section 34183, which are amounts distributed to the City that the City would have received as passthrough payments if the Redevelopment Agency had not been dissolved. Starting in Fiscal Year 2025-2026, this policy shall apply to all distributions from the RPTTF to the City as a taxing entity under California Health and Safety Code Section 34183.

C. Fines and penalties. The Affordable Housing Trust Fund shall receive fines and penalties received under the Foreclosed and Defaulted Residential Property Registration Program pursuant to Section 8.54.620 of this Code.

D. Affordable Housing Impact Fees. The Affordable Housing Trust Fund shall receive all monies from affordable housing impact fees contributed pursuant to Chapter 15.72 of this Code.

15.62.040 - Use of funds.

A. Funds deposited into the Affordable Housing Trust Fund, and all interest and investment earnings thereon, shall be used to increase, improve, and preserve the supply of affordable housing in the City, with priority given to housing for very low income households. For purposes of this paragraph, to "preserve" affordable housing means to acquire, finance, refinance, or rehabilitate housing that is at imminent risk of loss to the affordable housing supply (including housing that is restricted to affordable housing or housing that is otherwise provided at an affordable rent or an affordable housing cost to lower income households or very low income households) due to termination of use restrictions, non-renewal of subsidy contract, mortgage or tax default or foreclosure, rent increases, conversion to market-rate housing or other uses, demolition, or physical conditions that are likely to result in vacation of the property.

Funds may also be used to cover reasonable administrative or related expenses of the City not reimbursed through processing fees. No portion of the Affordable Housing Trust Fund may be diverted to other purposes by way of loan or otherwise.

Funds in the Affordable Housing Trust Fund shall be used in accordance with the adopted housing element to the City's General Plan, the Consolidated Plan, and subsequent housing plans adopted by the City Council, to subsidize or assist the City, other government entities, nonprofit organizations, private organizations or firms, or individuals in the construction, preservation or substantial rehabilitation of affordable housing. Monies in the Affordable Housing Trust Fund may be disbursed, hypothecated, collateralized or otherwise employed for these purposes from time to time as the City Administrator so determines is appropriate to accomplish the purposes of the Affordable Housing Trust Fund. Eligible uses include, but are not limited to, assistance with staff costs or other administrative costs attributable to a specific affordable housing project, equity participation in affordable housing projects, loans and grants (including, predevelopment loans or grants) to affordable housing projects, or other public/private partnership arrangements. Monies from the Affordable Housing Trust Fund may be extended for the benefit of rental housing, owner occupied housing, limited equity cooperatives, mutual housing developments, or other types of affordable housing projects. Not more than fifteen percent (15%) of the funds deposited into the Affordable Housing Trust Fund from Affordable Housing Impact Fees may be used for housing affordable to moderate income households unless this limit is waived by the City Council with a specific finding that the waiver is in the best interests of the City.

B. Notwithstanding the provisions of Subsection A. above, funds deposited into the Affordable Housing Trust Fund from fines and penalties received under the Foreclosed and Defaulted Residential Property Registration Program pursuant to Section 8.54.620 of this Code, or from fines, penalties, or other funds under other programs that designate the use

of funds deposited into the Affordable Housing Trust Fund for foreclosure prevention or mitigation purposes, may be used for foreclosure prevention and mitigation activities, including but not limited to homebuyer or tenant assistance, rehabilitation, housing counseling, education, outreach, and advocacy activities, along with staff costs or other administrative costs attributable to such activities. Upon a finding by the City Council or the City Administrator that funds are no longer needed for foreclosure prevention or mitigation activities, such funds may also be used for other eligible Affordable Housing Trust Fund uses or for other low income or very low income tenant or homebuyer assistance. Funds received pursuant to Section 8.54.620 shall be appropriated to a separate project. For funds received under the Foreclosed and Defaulted Residential Property Registration Program or other programs that designate the use of funds for foreclosure prevention or mitigation purposes, the City Administrator or his or her designee is authorized to award grants and enter into grant contracts or service contracts without returning to the City Council in amounts not to exceed one hundred thousand dollars (\$100,000.00).

C. Notwithstanding the provisions of Subsection A. above, until June 30, 2027, funds deposited into the Affordable Housing Trust Fund from the setaside of funds distributed to the City as a taxing entity under the Dissolution Laws may also be used for services and interventions aimed at: preventing displacement of low-income renters from their homes; preventing the displacement of low-income, senior, or disabled homeowners from their homes; rehousing for homeless residents; or protecting low-income renters from poor housing conditions leading to displacement. These services and activities may include, but are not limited to, housing counseling and outreach, rapid-rehousing, legal services, and housing assistance funds for tenants and homeowners who are lower income households or very low income households and who are at risk of losing their home or becoming homeless. Notwithstanding the above, until June 30, 2018, funds deposited into the Affordable Housing Trust Fund from the setaside of funds distributed to the City as a taxing entity under the Dissolution Laws may also be used for services for homeless residents.

15.62.050 - Administration of funds.

The Affordable Housing Trust Fund shall be administered by the City Administrator, who shall have the authority to govern the Affordable Housing Trust Fund consistent with this Chapter and to prescribe regulations for the administration and use of the Affordable Housing Trust Fund. Funds deposited to the Affordable Housing Trust Fund shall be appropriated on a continuous basis to projects to be established consistent with this Chapter. Notwithstanding the foregoing, all allocations of funds from the Affordable Housing Trust Fund, except as provided for above with respect to grants or service contracts from funds received under the Foreclosed and Defaulted Residential Property Registration Program or other programs, shall be approved by the City Council.

An annual report showing impact fees imposed, revenues collected, funds committed, expenditures made, and any decisions made as to requests for reductions or exceptions shall be forwarded by the City Administrator to the City Council. Beginning with the first annual report in which the following information is available and in all subsequent reports, the annual report shall additionally include the following information for each building permit applied for and issued in the prior calendar year that is covered by this Affordable Housing Impact Fee:

1. The address and assessor's parcel number;
2. The applicable Impact Fee Zone;

3. The number of residential units;
4. The date the building permit was issued, if already issued;
5. The date a temporary certificate of occupancy or certificate of occupancy was issued, if already issued;
6. The amount of Impact Fee assessed, including the rate and total amount;
7. The date and amount of the first installment, if already paid;
8. The date and amount of any subsequent installment, if already paid;
9. Whether the project was exempt from payment of the fee and the reason for such exemption; and
10. Whether the project provided affordable housing units on site or off site in lieu of payment of the fee, and the number and affordability level of the affordable units.
11. Whether the project received a reduction or waiver from the Impact Fee and the amounts of fees reduced or waived.

Section 6. The record before this Council relating to this Ordinance and supporting the findings made herein include the entirety of the record supporting adoption of Ordinance No. 13365 CMS including, without limitation, the following:

1. "Oakland Affordable Housing Impact Fee Nexus Analysis" prepared by Vernazza Wolfe Associates, Inc., and HEG dated March 10, 2016;
2. "Economic Feasibility Study for Oakland Impact Fee Program" prepared by HEG dated April 1, 2016;
3. "Oakland Impact Fee Program CEQA Compliance" prepared by Lamphier-Gregory dated March 10, 2016;
4. Materials provided to the Stakeholder Working Group;
5. All final staff reports, and other final documentation and information produced by or on behalf of the City, including without limitation supporting technical studies and all related/supporting final materials, and all final notices relating to the impact fee program and attendant meetings;
6. All oral and written evidence received by the CED Committee and City Council during the public meeting and hearings on the impact fee program and Ordinance No. 13365 CMS; and all written evidence received by the relevant City staff before and during the public meetings and hearings on the impact fees;
7. All matters of common knowledge and all official enactments and acts of the City, such as (a) the City's General Plan; (b) the Oakland Municipal Code and Planning Code; (c) other applicable City policies and regulations; and (d) all applicable state and federal laws, rules and regulations.

The record before this Council additional includes the following:

8. All oral and written evidence received by the CED Committee and City Council during the public meeting and hearings on this Ordinance; and all written evidence received by the relevant City staff before and during the public meetings and hearings on this Ordinance;

The custodians and locations of the documents or other materials which constitute the record of proceedings upon which the City Council's decision is based are respectively: (a) Planning and Building Department -Bureau of Planning, 250 Frank H. Ogawa Plaza, Suite

3315, Oakland, California; and (b) Office of the City Clerk, One Frank H. Ogawa Plaza, 1st Floor, Oakland California.

Section 7. The provisions of this Ordinance are severable. If a court of competent jurisdiction determines that any word, phrase, clause, sentence, paragraph, subsection, section, chapter, or other provision (collectively called "Part") is invalid, or that the application of any Part of this Ordinance to any person or circumstance is invalid, such decision shall not affect the validity of the remaining Parts of the Ordinance. The City Council hereby declares that it would have adopted this Ordinance irrespective of the invalidity of any Part of this Ordinance or its application to such persons or circumstances.

Section 8. This Ordinance shall be effective immediately on final adoption if it receives six or more affirmative votes; otherwise it shall become effective upon the seventh day after final adoption by the City Council.

Section 9. This Ordinance is enacted to serve the public interest and is necessary to protect the health, safety, and/or welfare of the citizens of Oakland, and is enacted pursuant to Article XI, Sections 5 and 7 of the California Constitution, the Mitigation Fee Act, Section 1 06 of the Oakland City Charter and the City's home rule powers, and the City's General Plan, specific plans and other land use plans.

Section 10. The City Council hereby authorizes the City Administrator or designee to make nonsubstantive, technical conforming changes (essentially correction of typographical and clerical errors), including omnibus cross-referencing conforming changes throughout the Oakland Municipal and Planning Codes, prior to formal publication of these amendments in the Oakland Municipal Code.

Section 11. Nothing in this Ordinance shall be interpreted or applied so as to create any requirement, power, or duty in conflict with any federal or state law.

Section 12. The Environmental Review Officer, or designee, is directed to cause to be filed a Notice of Exemption with the appropriate agencies.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FORTUNATO BAS, GALLO, GIBSON MCELHANEY, KALB, REID,
TAYLOR, THAO AND PRESIDENT KAPLAN

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

LATONDA SIMMONS
City Clerk and Clerk of the Council of
the City of Oakland, California

Date of Attestation: _____

NOTICE AND DIGEST

ORDINANCE AMENDING OAKLAND MUNICIPAL CODE CHAPTER 15.72 TO PROVIDE AN INCENTIVE FOR FULL EARLY PAYMENT OF THE AFFORDABLE HOUSING IMPACT FEES EQUAL TO A 5% DISCOUNT OF THE TOTAL IMPACT FEES OWED AND TO ADD A PROVISION ENABLING THOSE WHO HAVE ALREADY PAID THE FIRST INSTALLMENT TO ALSO RECEIVE A 5% DISCOUNT, AND AMENDING OAKLAND MUNICIPAL CODE CHAPTER 15.62 TO REQUIRE ADDITIONAL INFORMATION TO BE INCLUDED IN THE ANNUAL IMPACT FEE REPORT

This Ordinance amends the Oakland Municipal Code Section 15.72 to incentivize payment of the Affordable Housing Impact Fee upfront as to allow for rapid construction of affordable housing units and to create a provision for those who have already made the first impact fee payment, and amends the Oakland Municipal Code Section 15.62 to strengthen annual reporting requirements on the affordable housing impact fee.