



Memorandum

**TO: RULES AND OPEN
GOVERNMENT COMMITTEE**

FROM: Leslye Krutko

SUBJECT: SEE BELOW

DATE: January 27, 2010

Approved

Date

1-26-10

Council District: Citywide
SNI: N/A

**SUBJECT: REQUEST TO ADD TWO ITEMS TO THE COMMUNITY AND
ECONOMIC DEVELOPMENT (CED) COMMITTEE WORKPLAN**

RECOMMENDATION

It is recommended that the Rules and Open Government Committee approve the addition of two items for its March 22, 2010, agenda. First is the acceptance of a report identifying potential alternative revenue sources for affordable housing development and the second is a report out on the development fees, taxes and exemptions for affordable housing developments.

OUTCOME

The outcome would be to have a discussion regarding data, financial analyses and alternatives of various policies and revenues sources impacting affordable housing production in San Jose.

BACKGROUND

In December 2008 the City Council approved policy parameters for staff to develop an Inclusionary Housing Ordinance. At that time, City Council asked staff to report back on a number of additional items related to the financing of development of affordable housing. One issue that City Council requested was more information related to other sources of revenue for affordable housing construction. City Council directed staff to examine new sources of funds for housing that could potentially provide offsets or incentives for the construction of multi-family rental housing, such as a housing trust fund, and other State and federal assistance. Staff has prepared a complete analysis of the various sources of funding that have potential to supplement current housing programs and is seeking feedback from the CED Committee.

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The second issue requested by City Council was for staff to review and analyze the impact of tax exemptions and fees paid by affordable housing. Staff has completed the report and recommends sharing the information with the CED Committee for further discussion.



LESLYE KRUTKO
Director of Housing

For more information call Leslye Krutko, Director of Housing, at (408) 535-3851