

**ORDINANCE NO. 27723**

**AN ORDINANCE OF THE CITY OF SAN JOSE AMENDING SECTION 4.46.039.5 OF CHAPTER 4.46, SECTION 4.47.092 OF CHAPTER 4.47, SECTION 4.54.038 OF CHAPTER 4.54, AND SECTION 4.64.035 OF CHAPTER 4.64 OF TITLE 4 OF THE SAN JOSE MUNICIPAL CODE, TO EXTEND THE SUSPENSION OF COLLECTION OF TAXES IMPOSED UNDER SUCH CHAPTERS FOR NEW CONSTRUCTION OF HOUSING FOR VERY LOW INCOME HOUSEHOLDS TO JUNE 30, 2011**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SAN JOSÉ:

**SECTION 1.** Section 4.46.039.5 of Chapter 4.46 of Title 4 of the San José Municipal Code is hereby amended to be entitled and to read as follows:

**4.46.039.5 Suspension- Very Low Income Households**

- A. To the extent not already suspended, the collection of the tax imposed pursuant to this Chapter shall be suspended and not collected with respect to the construction of any building subject to affordability restrictions which require that the building or a portion thereof be utilized for housing by households which qualify as very low income.
- B. The suspension of the collection of taxes as hereinabove provided shall not be deemed to require the refund of any such taxes paid to the City of San José prior to the effective date of this Ordinance. The suspension of taxes hereunder shall terminate on June 30, 2011.
- C. Definitions
  - 1. "Very low income households" means persons and families whose incomes do not exceed the qualifying limits for very low income

households as established and as it may be amended from time to time pursuant to California Health and Safety Code Section 50105. In the event such standards are discontinued, the Council shall, by resolution, establish income limits for very low income households for the City.

2. "Affordability restrictions" means covenants, conditions and restrictions running with the land and recorded with the Santa Clara County Recorder's Office in connection with a building used for housing to be utilized by very low income households within the City of San José. The affordability restrictions shall require that a building used for housing, in part or in whole, be utilized by very low income households for a minimum period of thirty (30) years, or as may be otherwise required by federal or state law.

**SECTION 2.** Section 4.47.092 of Chapter 4.47 of Title 4 of the San José Municipal Code is hereby amended to be entitled and to read as follows:

**4.47.092 Suspension- Very Low Income Households**

- A. To the extent not already suspended, the collection of the tax imposed pursuant to this Chapter shall be suspended and not collected with respect to the construction of any building subject to affordability restrictions which require that the building or a portion thereof be utilized for housing by households which qualify as very low income.
- B. The suspension of the collection of taxes as hereinabove provided shall not be deemed to require the refund of any such taxes paid to the City of San José prior to the effective date of this Ordinance. The suspension of taxes hereunder shall terminate on June 30, 2011.

C. Definitions

1. "Very low income households" means persons and families whose incomes do not exceed the qualifying limits for very low income households as established and amended from time to time pursuant to California Health and Safety Code Section 50105. In the event such standards are discontinued, the Council shall, by resolution, establish income limits for very low income households for the City.
2. "Affordability restrictions" means covenants, conditions and restrictions running with the land and recorded with the Santa Clara County Recorder's Office in connection with a building or structure used for housing to be utilized by very low income households within the City of San José. The affordability restrictions shall require that a building or structure used for housing, in part or in whole, be utilized by very low income households for a minimum period of thirty (30) years or as may be otherwise required by federal or state law.

**SECTION 3.** Section 4.54.038 of Chapter 4.54 of Title 4 of the San José Municipal Code is hereby amended to be entitled and to read as follows:

**4.54.038 Suspension- Very Low Income Households**

- A. To the extent not already suspended, the collection of the tax imposed pursuant to this Chapter shall be suspended and not collected with respect to the construction of any building subject to affordability restrictions which require that the building or a portion thereof be utilized for housing by households which qualify as very low income.
- B. The suspension of the collection of taxes as hereinabove provided shall not be deemed to require the refund of any such taxes paid to the City of San José prior

to the effective date of this Ordinance. The suspension of taxes hereunder shall terminate on June 30, 2011.

C. Definitions

1. "Very low income households" means persons and families whose incomes do not exceed the qualifying limits for very low income households as established and amended from time to time pursuant to California Health and Safety Code Section 50105. In the event such standards are discontinued, the Council shall, by resolution, establish income limits for very low income households for the City.
2. "Affordability restrictions" means covenants, conditions and restrictions running with the land and recorded with the Santa Clara County Recorder's Office in connection with a building or structure used for housing to be utilized by very low income households within the City of San José. The affordability restrictions shall require that a building or structure used for housing, in part or in whole, be utilized by very low income households for a minimum period of thirty (30) years or as may be otherwise required by federal or state law.

**SECTION 4.** Section 4.64.035 of Chapter 4.64 of Title 4 of the San José Municipal Code is hereby amended to be entitled and to read as follows:

**4.64.035 Suspension- Very Low Income Households**

- A. To the extent not already suspended, the collection of the tax imposed pursuant to this Chapter shall be suspended and not collected with respect to the construction of any building subject to affordability restrictions which require that the building or a portion thereof be utilized for housing by households which qualify as very low income.
- B. The suspension of the collection of taxes as hereinabove provided shall not be deemed to require the refund of any such taxes paid to the City of San José prior to the effective date of this Ordinance. The suspension of taxes hereunder shall terminate on June 30, 2011.
- C. Definitions
1. "Very low income households" means persons and families whose incomes do not exceed the qualifying limits for very low income households as established and amended from time to time pursuant to California Health and Safety Code Section 50105. In the event such standards are discontinued, the Council shall, by resolution, establish income limits for very low income households for the City.
  2. "Affordability restrictions" means covenants, conditions and restrictions running with the land and recorded with the Santa Clara County Recorder's Office in connection with a building or structure used for housing to be utilized by very low income households within the City of San José. The affordability restrictions shall require that a building or structure used for housing, in part or in whole, be utilized by very low income households for a minimum period of thirty (30) years or as may be otherwise required by federal or state law.

PASSED FOR PUBLICATION of title this 9th day of May, 2006, by the following vote:

AYES: CHAVEZ, CHIRCO, CORTESE, LeZOTTE, NGUYEN,  
PYLE, REED, WILLIAMS, YEAGER; GONZALES

NOES: NONE

ABSENT: CAMPOS

DISQUALIFIED: NONE

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RON GONZALES  
Mayor

ATTEST:

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LEE PRICE, MMC  
City Clerk